BANKING SERVICES AND CUSTOMER'S SATISFACTION IN QATAR: A STATISTICAL ANALYSIS*

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ABSTRACT

The main objectives of this study are to evaluate bank customer expectations of service quality and to assess whether bank services provided by these institutions are satisfactory to Qatari customers. The study also examines empirically the determinants of the buying behavior of bank customers in Qatar.

A questionnaire for such purpose was designed and different statistical methods were applied. The policy implications to be derived from such statistical findings is that bank's management should focus on strength areas to confirm them and weakness areas to overcome them.

SECTION 1

1-1 Introduction

In recent years, the banking industry has undergone massive changes in scope and nature of its environment. Technological advances, increased competition, massive increases in income levels, and the expansion in economic activities, as well as the growing diversity of customer needs, have contributed to the increase in the scope of banks services, and to the elevation of the marketing department to the top levels of the organizational structure of the banking firm. In this competitive and ever changing environment, banks can ensure their survival and gain a competitive edge through the emphasis on using service quality as a means of differentiation. Banks want to know how to improve the service encounter. Banks face intense competition, volatile costs of funds, diminished customer loyalty and an expensive high-tech [1], [22]. The challenge for banks is to lower costs, increase efficiency, while improving the quality of their service, and increasing customer satisfaction. They need to create and maintain good banking relationships. Attention has now turned to improving the quality of service encounter, when customers enter the bank and come into face-to-face contact with bank staff [2], [3].

1.2 The Main Objectives of this Study

The main objectives of this study are to evaluate bank customers expectations of service quality; assess whether bank services provided by commercial banking institutions are satisfactory to the Qatari customers, and examine empirically the determinants of the buying behaviors of bank customers in Qatar i.e.

* Find out the reasons why customers utilize specific bank services and not others.

* Provide evidence supporting behavioral determinants of why certain types of customer go shopping at certain specific banks and not others.

1.3 The Main Hypotheses

The main hypotheses of this research are:

- Bank services provided by commercial institutions in Qatar are satisfactory.

- Bank services meet their expectations of service quality in this sector.

- There are no gaps existing between customer's perceptions and expectations.

1.4 The Importance of the Study

There have been huge changes in people's tastes, interests and aspirations in the last twenty years. Society moved from fixed and inherited values to new discovered values. Customer values, beliefs, customs and behavior are constantly changing and banks in the Arabian Gulf are operating in an environment characterized by increased customer awareness and expectations of quality and sophistication of delivery systems resulting from technological advances. Customers are becoming more critical and selective of the quality of service. [4].

The importance of the study comes from the fact that it is one among few, if not the only one to discuss these issues. This research includes a comprehensive questionnaire, and in depth and detailed statistical analysis of the data from the questionnaire enriched the discussions and strengthened the conclusion that depends on simple interpretation of the data.

1.5 Methodology

As stated earlier, the main focus of the study is to investigate the issue of banking services and customer's satisfaction in Qatar. Following this introductory section, section 2 will examine the evolution of banking system in Qatar with special emphasis on commercial banking. Section 3 will present a conceptual framework and review the literature and examine different approaches related to this subject.

For this purpose, a questionnaire is designed and the empirical investigation is presented in section 4. The statistical findings are analyzed in section 5. The study ends with summary, recommendations and policy implications. This will be done in section 6 where recommendations are

provided for decision makers in Qatar.

About 500 questionnaires were distributed to customers in different branches of different banks. About 300 were finally selected. A pilot study has been conducted. About 15 questionnaires were distributed, and no major difficulties were experienced. Comments were incorporated within the questionnaire. Respondents were randomly selected within each institution. Data were analyzed on a question-by-question basis, and the statistical results of the questionnaire were analyzed using a computer package (SPSSx).

1.6 Limitations of the Study

The following limitations of the study are acknowledged

1. Perceptions, satisfactions, and expectations usually are highly subjective versions of reality. In an attempt to overcome some of the biases that may be reflected, the opinions of a large number of bank customers as respondents to the survey is sought.

2. However, due to the difficulties involved in response rate to returned questionnaires that has been documented as generally very low, we were lucky that the rate of return has exceeded 66%.

SECTION 2

2.1 The Evolution of Banking System in Qatar

The banking and financial institutions in Qatar have grown considerably during the past two decades and they constitute a vital sector of the economy. The development of commercial banks was reflected in the increase of their number and expansion of activities. This section presents a brief historical background, and assess the performance of this sector in Qatar.
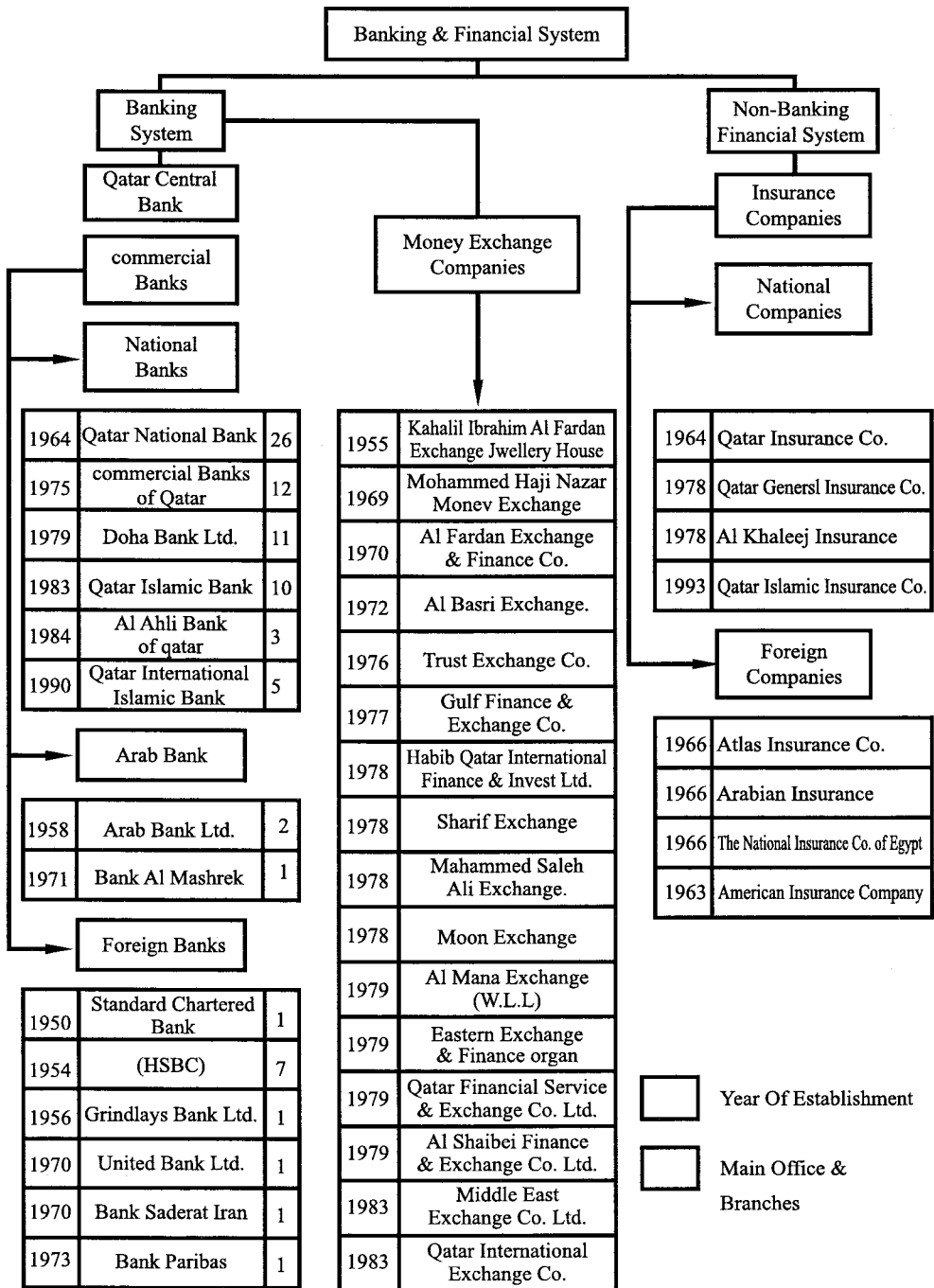
2.2 Brief Historical Survey

It could be argued that the growth of banking and financial institutions in Qatar was greatly affected by the political and economic situation

prevalent in the region during the recent past. The first bank in Qatar was a branch of the Eastern Bank - now known as the Standard Chartered Bank. It was opened in the year 1950 immediately after the commencement of the production and export of oil in early December 1949. Banking activity remained a monopoly of the Eastern Bank until 1954 when the authorities felt the need to have another bank and consequently granted permission to the British Bank of the Middle East to open a branch in the country. A third British bank, the Ottman Bank now known as the ANZ Grindlays Bank, was permitted to open a branch in Qatar in 1956.

Another bank, a branch of the Arab Bank, a Jordanian institution, was set up in 1957, and in 1960 the" Lebanese Bank (renamed Al-Mashrek) was permitted to open a branch to provide banking services along with the other banks.

Until the mid-sixties, Qatar remained dependent on foreign banks and did not have its own national currency. It was not until 1964 when Qatar National Bank was established as a result of the need to alter the situation in the national interest. Qatar National Bank was mandated to act as a government bank instead of the Eastern Bank that was until then entrusted to act on that behalf.

The number of commercial banks in Qatar reached up to 15 until the end of 2000, of which six are locally owned. Two of these render Islamic services based on Islamic principles and teachings and the recently created banks of the Industrial Development Bank [18]. There are also two Arab banks and six foreign banks. The network of branches and offices of these banks increased to eighty two by the end of 2000. (See figure 1).

Banking & Financial System

Banking System
- Qatar Central Bank
- commercial Banks
  - National Banks

Non-Banking Financial System
- Insurance Companies
  - National Companies

National Banks

Year	Bank	Branches
1964	Qatar National Bank	26
1975	commercial Banks of Qatar	12
1979	Doha Bank Ltd.	11
1983	Qatar Islamic Bank	10
1984	Al Ahli Bank of qatar	3
1990	Qatar International Islamic Bank	5

Arab Bank

Year	Bank	Branches
1958	Arab Bank Ltd.	2
1971	Bank Al Mashrek	1

Foreign Banks

Year	Bank	Branches
1950	Standard Chartered Bank	1
1954	(HSBC)	7
1956	Grindlays Bank Ltd.	1
1970	United Bank Ltd.	1
1970	Bank Saderat Iran	1
1973	Bank Paribas	1

Money Exchange Companies

Year	Company
1955	Kahalil Ibrahim Al Fardan Exchange Jwellery House
1969	Mohammed Haji Nazar Monev Exchange
1970	Al Fardan Exchange & Finance Co.
1972	Al Basri Exchange.
1976	Trust Exchange Co.
1977	Gulf Finance & Exchange Co.
1978	Habib Qatar International Finance & Invest Ltd.
1978	Sharif Exchange
1978	Mahammed Saleh Ali Exchange.
1978	Moon Exchange
1979	Al Mana Exchange (W.L.L)
1979	Eastern Exchange & Finance organ
1979	Qatar Financial Service & Exchange Co. Ltd.
1979	Al Shaibei Finance & Exchange Co. Ltd.
1983	Middle East Exchange Co. Ltd.
1983	Qatar International Exchange Co.

National Companies

Year	Company
1964	Qatar Insurance Co.
1978	Qatar Genersl Insurance Co.
1978	Al Khaleej Insurance
1993	Qatar Islamic Insurance Co.

Foreign Companies

Year	Company
1966	Atlas Insurance Co.
1966	Arabian Insurance
1966	The National Insurance Co. of Egypt
1963	American Insurance Company

Year Of Establishment

Main Office & Branches

SOURCE: Central Statistical Organisation

2.3 Performance of Commercial Banking in Qatar

In order to assess the performance of commercial banking in Qatar, uses and sources of funds are analyzed. These are the major indicators of the customer orientation of the banking and are highlighted as follows.

2.3.1 Sources of Commercial Bank Funds

An analysis of sources of funds of commercial banks, as shown by table (1) which reveals that these institutions have achieved remarkable progress in different aspects. The table shows that while total deposits increased from QR 18,971 million in 1994 to QR 51,042 million in 2003, total liability increased from QR 31,323 million to QR 75,117 for the same period.. Other indicators are also shown in the table.

Table (1)

Sources of Commercial Banks Funds (in QR mn)

Years	Total Deposits	Private Deposits	Public Sector Deposits	Total Liability
1994	18,971	17,069	1,903	31,323
1995	19,885	17,214	2,671	34,249
1996	22,048	18,253	3,795	33,885
1997	24,642	17,727	6,915	38,459
1998	27,082	19,949	7,133	42,479
1999	30,809	21,805	9,2003	47,649
2000	36,345	24,474	11,871	50,244
2001	42,518	24,490	18,028	57,332
2002	45,077	27,097	18,673	62,646
2003	51,042	30,354	20,688	75,117

Sources:

1. Qatar Central Bank, Research & Statistics Annual Report, different issues.

2. Qatar Central Bank, Quarterly Statistical Bulletins, different issues.

As far as the composition of deposits is concerned, table (2) shows the main types of bank deposits.

Table (2)

Main Types of Bank Deposits (in QR mn)

Years	Private Sector		Public Sector		Total Deposits
	In QR	In Foreign Currency	In QR	In Foreign Currency	
1998	15,526	4,423	2,198	4,935	27,082
1999	16,285	5,521	2,218	5,785	30,809
2000	19,122	5,352	4,763	7,108	36354
2001	20,311	4,179	6,075	11,933	42,518
2002	21,653	5,544	7,317	11,356	45,770
2003	23,517	6,837	8,538	12,150	51,042

Source:

1. Qatar Central Bank, Research & Statistics Annual Report, different issues.

2. Qatar Central Bank, Quarterly Statistical Bulletins, different issues.

The above table shows that the large increase was recorded for public sector between 1998 and 2003. Private sector deposits represented more than 59% of the total deposits in 2003. Table 2 also shows that more than 75% of private sector deposits in 2003 were in QR while 59% of public sector deposits were held in foreign currencies.

2.3.2 Uses of Commercial Banks' Funds

Table (3) shows different indicators for commercial bank uses of fund. Domestic credit increased from QR 28,597 million in 1998 to QR 42,150 million in 2003. Total assets of commercial banks increased from QR 42,497 million to QR 71,117 million for the same period.

Table (3)
Commercial Banks Uses of Funds: Major Indicators (in QR mn)

Years	Domestic Credit	Net Foreign Assets	Due from QCB	Total Assets
1998	28,597	11,953	834	42,497
1999	28,541	13,335	687	47,649
2000	27,193	15,505	1062	50,244
2001	34,010	16,239	1371	57,332
2002	35,967	20,408	1723	62,646
2003	42,150	26,484	2537	71,117

Sources

1. Central Statistics Report, Annual Statistical Abstract, 75th Issue 1995, p. (406).
2. Qatar Central Bank, Annual Report, Different issues.

Concerning the distribution of domestic credit by economic sectors, the lion's share went to public sector (44 % during 1998-2003) followed by personal (27.7%). Merchandise represented 13.3% of total credit, while industry's credit didn't exceed 1.8% for the same period. This is shown by the following table.).

Table (4):
Distribution of Domestic Credit Facilities (in QR mn)

Year	Public Sect.	Merchandise	Industry	Construction	Land	Personal	Total
1998	14.169	4,579	428	739	249	6,997	29,924
1999	12,901	4,575	405	851	207	7,892	29,556
2000	10,661	4,507	420	733	487	9,181	29,114
2001	16,530	4,047	607	718	415	8,882	39,496
2002	16,515	4,726	937	247	1,041	9,639	36,214
2003	21,100	5,216	950	1,590	1,511	10,900	43,512
Total	92,176	27,688	3,747	4,878	3,910	53,491	207,816

Source: Qatar Central Bank, Quarterly Statistical Bulletin Vol. 22 No.2 2003, P.26

2.4 Services Provided by Commercial Banks in Qatar

Banks in Qatar today offer range of products and services that have generally similar characteristics. However, the banks are not all the same in their skill at delivering particular services; and they do not offer similar services in similar ways. The most important basic services offered by a bank are the generation of deposits and the subsequent lending of these funds for interest. The majority of bank profitability is presently still obtained from interest differential between these services. However, there are many specific forms of alternative products which can be generated within these basic services. It is largely the way the individual banks can develop specially tailored lending and deposit - generating products that enables them to differentiate themselves from competitors and to build market share within specific market segments. These services include the following:

2.4.1 Deposit Services

The range of deposit related services which are offered include:

=> Current (Demand/Deposits)

=> Saving accounts

=> Time deposits

=> Bank certificates of deposit

=> Foreign currency accounts

=> Cheques, notes, money drafts, trade acceptances

=> Inter bank deposits

=> Call/Notice deposits

Personal deposits have been the main source of bank funds. These are collected as savings and also constitute the balance on current accounts. In the heat of competition, banks have been forced to pay interest on current accounts which were traditionally not subject to interest payment.

2.4.2 Lending and Credit Services

Lending has traditionally been the most important single banking function and the principal source of revenue. The range of lending and

credit services is extremely extensive, and is perhaps the most important single area of banking activity comprising:

  * Overdraft

  * Vehicle finance, Credit cards (Visa, Mastercard, American express, Circus, etc.)

  * Fixed-rate short-term loans

  * Acceptance finance

  * Multicu rrency lending

  * Term loans

  * Multicurrency credit hire

  * Purchase project finance

  * Syndicated loans

  * Retail installment financing

  * Property construction loans

  * Currency and interest rate swaps loans

  * Real estate lending

The list of lending products is long and many others exist. Retail lending market offers the opportunity for high spreads. This market is largely becoming automated with credit scoring and electronic card delivery systems. This applies in credit card operations, retail revolving credit and the smaller levels of individual credit finance.

2.4.3. Other Services

In addition to lending and deposit products, commercial banks in Qatar also provide a range of other general and specialist services. These services include:

A. General Banking Services

  * Domestic transfers

  * Cheques

  * Travelers cheques

* Credit transfers

* Standing orders

* bank-to-bank transfer

* Direct debits

* EFT transfers

* Lock boxes

* Currency exchange

International transfers

* Mail transfers

* EFT transfers

* Demand draft

* Customer's cheques

* Money transfers

Commercial Credit

* Documentary credits

* Import and export credits

Specialist Services

* Consultancy services

* Money managing

* Treasury management services

* Ladies services

* Children's club accounts

* Personnel assistance loans

* Offshore deposits -

* Personal investment services

* Emergency assistance services

* Foreign exchange and bullion trading

* Payroll management and accounting

* Consumer banking services

* Telephone banking/Electronic banking

* Payment of utility bills

* Foreign exchange deals

* Insurance coverage

* Joint accounts

* VIP services

* Correspondent banking services

Trust Services

* Stock purchases

* Stock registrars

* Dividend payment

* Safety deposits services

* Share dealing

* Foreign exchange deals

* Share brokerage services

* Insurance coverage

Product range and knowledge alone are not enough to convince and give conviction to customers. They are also influenced by other characteristics which will colour their view of the bank services range and banks' ability to deliver the benefits claimed. Most important in this is the image of the bank. However, some of these services might not be offered by all banks, therefore, our study will focus on standard services, i.e. services, which are provided by all Qatari banks. Finally the Islamic banks are not discussed here, because the nature and philosophy of these institutions are different from other commercial banks, and they are out of the scope of this research.

SECTION 3

3.1 Conceptual Framework and Review of Literature

The concept of service quality in general and banking services in particular, has recently gained popularity in bank marketing literature. Today the increasingly sophisticated consumer appears to be using different attributes (other than location) to choose one transaction over another [7], [8], [9]. Consumer's expectations of quality are increasing (see for example: [10], [11], [12]. Despite the appreciation of the importance of service quality in strategic planning and for corporate success, there are no clear-cut definition of quality of dimensions for setting quality standards and measuring subsequent quality delivered and received [13], [14], [17]. Many of the suggested definitions focus on meeting customer's needs requirements. For example, service quality is a measure of how well service delivered matches customers expectations [13], [7], or providing the customer with what he wants, when-he wants it, and at acceptable cost, within the operating constraints of the business", and providing a better service than the customer expects". [14], [24], [12].

Additionally, a number of definitions refer to the importance of the clients/customer's expectations of quality were introduced [11], [23], [14], [15], [16]. Customer's expectations of quality were found to be influenced by various gaps which lead to service quality shortfalls.

SECTION 4

AN EMPIRICAL INVESTIGATION

As mentioned earlier, the main objective of this research is to examine customer's satisfactions in the banking sector of Qatar, and to derive policy implications which might be helpful in improving the quality of services provided by these institutions. Before we present the findings of this survey, the following statistical criteria are considered:

4.1 Target Market and Sample Size

As indicated earlier about 500 questionnaires were distributed to individuals in different branches. Individuals respondents were selectively chosen on the merit that they have account or direct business with the

branch. Each customer was approached on completion of business in the branch and given a covering letter explaining the purpose of the study, a questionnaire and a stamped envelope. Some of them returned the filled questionnaire immediately and other questionnaires were returned by mail.

4.2 Run a Pilot Survey

The questionnaire was translated into Arabic and first draft of our survey was tested on a sample of 15 people. Having done our pilot survey, we could make amendments necessary to maximize our returns and minimize our error rate on answers. Comments, particularly about wording of some questions were received. Adjustment in wording of the questions were incorporated.

4.3 Ranked Replies

Any survey could be ranked or unranked (or both together). A ranked survey could be done by demanding a numerical ordering form (0) to any maximum number. The response format employed a five-points Likert Scale with the following anchors:

Strongly agree/very important	5 Points
Agree/Important	4 Points
I can't determine	3 Points
Disagree/Not important	2 Points
Strongly disagree/Not important at all	1 Point

Major Dimensions

The 35 criteria for questioning were selected based on review of service quality and customer care literature: ideas were specially generated from Parasurman et al. [13], [14], [15], [16].

As stated earlier, different attributes could be tested. For the purpose of this research, we have chosen the dimensions which are available in almost all commercial banks. All the services are offered by these institutions, and we believe that all these factors are of much importance for customers in Qatar.

Part I: General information about respondents: This includes: sex, nationality, job, salary, age and education.

Part II: Customer's expectations:

Consumer expectations in relation to elements of service quality, grouped into four sections:

1. Banks location and layout

2. The staff you come into contact with

3. Responsiveness to Customer's needs

4. Pricing Dimensions

SECTION 5

5.1 Statistical Analysis of Research Findings

Before we analyse the statistical findings of the questionnaire, reliability tests need to be conducted. The internal consistency of the questionnaire was tested by one of the most commonly used reliability coefficient, i.e., the Cronbach's Alpha coefficient. It is based on the average correlation of items within a test, if the items are standardised to a standard deviation of 1, or on the average ,covariance among items on a scale, if the items are not standardised. (See note 1).

The calculated overall reliability coefficient has exceeded 0.81 and appears to be consistently high across the entire variables. The Alpha coefficient was calculated for other attributes and presented in Table (5).

Table (5)
Reliability Analysis (Cronbach's Alpha)

Dimension	Calculated Alpha
Bank's location and layout	0.83
The staff you come into contact with	0.84
Responsiveness to customer's needs	0.78
Pricing/ dimensions	0.79
Overall coefficient	0.81

5.2 The Socio-Demographic Profile of the Target Population

Table (6) shows that 60% of the sample are married, 65% are males. Their age grouping demonstrated that majority of the respondents (78.3%) has fallen in the range of 18-35 years of age. Only 15.7% of the sample are between 36-45 and 6% above 45 years.

As far as the education is concerned, the majority is holding a University degree 58.3% graduate and 5% post-graduate. With regard to income, about 73.4% earn between QR 3000-11,000. Finally, the job category indicates that 75% of respondents work with public institutions (government or semi-government).

Table (6)

Socio-Economic Profile Respondents

Age

Category	Frequency	Percent
18-25	85	28.3
26-35	150	50.0
36-45	50	16.7
46 & above	15	5
Total	300	100.0

Education

Category	Frequency	Percent
High school; and below	45	15.0
Diploma	65	21.7
B.Sc. holder	175	58.3
Master or Ph. D. holder	15	5.0
Total	300	100.0

Income QR

Category	Frequency	Percent
3,000	30	10.0
3,001-5,000	90	30.0
5,001-11,000	130	43.4
11,001-15,000	25	8.3
Over 15,000	25	8.3
Total	300	100.0

Job

Category	Frequency	Percent
Govern. Worker	225	75.0
Private Sector Worker	70	23.3
Do not work	5	1.7
Total	300	100.0

5.3 Types of banking

About 66.7% of the sample are dealing with commercial banks, 30% with Islamic and 3.3% with both. Qatar National Bank ranked 1 in number of respondents, followed by Islamic banks, Commercial Bank, Doha Bank and the rest for other banks. Concerning the types of accounts, 58.3% are current, 13,3% saving and 28.3% others. 45% of respondents are dealing with banks for more than 5 years, 28.3% for 1-3 years and 18.3% for less than a year. About 23.3% are using their account once a week, 31.7% twice a month. Only 46.7% of customer hold a VISA or Master Card. Among this number only 8.3% use credit card for local purchase only, 10% for local cash withdrawal and 13.3% for purchase outside Qatar. Those who do not hold credit cards gave different reasons. About 22% indicated that they did not apply for cards because of religious reasons,. 17% for requirements and 12% because of low salary:

5.4 Customer's Satisfaction

5.4.1 Bank's location and layout

The following table presents the statistical findings for attributes

relating to customer satisfaction with location and layout of bank.

Table (7)
Statistical Findings

Attribute	Mean Score	Standard Deviation	Rank
Location of Bank	4.45	0.75	1
Appearance of building	4.22	0.91	3
Parking facilities	3.36	2.10	7
Interior decor and atmosphere	4.03	0.70	4
Air conditioning	4.38	0.44	2
Seats available for customers	3.62	1.34	6
Signs and directional boards	3.68	1.12	5

As the table shows customers are generally satisfied with location appearance of building and interior design (89%), and less satisfied with parkings, seats availability and directional boards (11 %).

5.4.2 Satisfaction with the staff you come into contact with

Table (8)

Statistical Findings

Attribute	Mean Score	Standard Deviation	Rank
Honesty and trustworthiness of staff	4.62	1.06	1
Accuracy in performance	4.25	0.55	3
Skillful & talents	4.17	0.67	7
Politeness of staff	4.38	0.54	2
Helpfulness of staff	4.22	0.67	4
Knowing customer needs	4.13	0.72	8
Personal caring	4.20	0.59	5
Confidentially discretion	4.20	0.76	5
Response to complaints	3.83	0.83	10
Appearance of staff	3.86	1.08	9

The above table shows that all but 2 of the attributes were felt to be less satisfied by customer (Rank 10). The response and speed of handling customer complaints and the appearance of staff (mainly the females) ranked 9. Customers were very satisfied with the honesty of staff (96%) and their skillful (78%) and accuracy of performance (81 %).

5.4.3 Satisfaction with Responsiveness to Customer Needs

The following table represents the statistical findings of these attributes and in particular with the speed of service, ATM, widespread of local branching.

Table (9)
Statistical Findings

Attribute	Mean	Standard Deviation	Rank
Speed of service	4.25	0.72	3
Opening hours	4.03	1.07	6
Courtesy in services	4.18	0.45	4
ATMs.	4.27	0.83	2
Full information	4.02	0.89	7
Willingness to solve problems	3.73	0.79	9
Number of staff available	3.83	0.92	8
Easing cash withdrawals	4.05	0.82	5
Listening to suggestions	4.42	0.50	1
Availability of overdrafts	3.55	0.89	11
Procedures of credit cards	3.52	1.02	12
Procedures of VISA or Mastercards	3.57	1.05	10

The calculated means indicate that speed of service (91 % and widespread of ATM (89%) ranked first and second in terms of satisfaction. Respondents were dissatisfied with the procedures of obtaining a credit or VISA card (53.5%). They complained about the difficulties in obtaining these cards and requested banks to ease procedures.

5.4.4 Satisfaction with Pricing Dimensions

The pricing dimensions were included and examined in our survey.

This could be justified by the fact that there are differences in interest rates paid on deposits and/ or charged on loans among commercial banks in Qatar. Interest on deposits exceeding one year maturity are free to be determined by banks. Also other charges and fees were left to be determined by bank's management.

The following table presents the statistical findings.

Table (10)

Statistical Findings

Attribute	Mean	Standard Deviation	Rank
Interest on deposits	2.85	1.01	3
Interest on loans	2.42	0.89	6
Commissions and fees	2.66	0.94	5
Bills payments	3.39	1.26	1
Fees on visa	2.89	1.01	2
Fees on counter's cheques	2.76	1.20	4

Customers were dissatisfied with interest rates policy (78.4%) and fees charged on credit cards (67.5%). The mean score was the lowest among all attributes (Table 10).

5.4.5 Kruskal - Wallis One - Way ANOV A Analysis

This method is based on chi-square and its significance. It measures the degree of difference in opinion of members or groups with regard to certain phenomenon (see note 2). By looking at the statistical results, the following observations can be inferred. Lower chi-square with high degree of significance will not be reported:

1. When divided according to sex (male, female), respondents did not display appreciable differences in their views on most of the items.

2. When divided according to ages groups, differences were demonstrated in opinion relating to the following attributes:

- Seats available (chi=2.90), signs and directional boards (chi=4,36) personal caring, (chi=5.3), helpfulness of staff (chi=2.14) and speed of service (chi=3.21)

- This means that older people are more interested in seating, directions, caring, helpfulness and speed more than any other services provided.

3. When divided into education groups, differences were demonstrated for: courtesy (chi=1.78), listening to suggestions (chi=2.01), credit card procedures (1.95), interest rates (chi=3.11).

4. Some differences were demonstrated between salary groups in terms of ATMs (chi=2.15%), bank's location (chi=4.11), confidentiality (chi= 1.49), speed of services (chi=2.09), and interest rates (chi=2.91).

5. No differences were demonstrated in opinions relating to the attributes such as: types of account you hold, duration of baking, marital status and nature of job.

SECTION 6

Summary / Conclusion

1. Banking industry in Qatar has witnessed massive changes in the scope and nature of its environment.

2. Despite the growing importance of SERVQUL in the GCC countries, little academic research has been devoted to the modeling and testing of customer's satisfaction.

3. Customers feel that the most important physical features and facilities are bank's location and interior layout.

4. Honestly politeness of staff and accuracy in performance are felt to be the most important elements in customer satisfaction with respect to the staff you come into contact with. Customer's were less satisfied with other attributes.

5. Listening to suggestions, availability of ATMs and speed of service came first in terms of satisfaction. while availability of overdrafts and procedures for obtaining credit cards came last.

6. Customers were less satisfied with all attributes related to pricing dimensions. Respondents were unhappy about interest rate policies, commissions and fees. The mean score for these attributes was the lowest among all other dimensions.

7. The ANOVA shows that differences were demonstrated in opinions relating to age groups, education, salary groups, jobs and banking duration.

8. The policy implications to be derived from such statistical findings is that bank's management should focus on strength areas to confirm them and weakness areas to overcome them.

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Notes:

1- Gronbach's Alpha

Is one of the most commonly used reliability coefficient, which is based on the "internal consistency" of a test. It is based on the average correlation of items within a test, if the items are standardised to a standard deviation of 1: or on the average covariance among items on a scale, if the items are not standardised. We assume that the items on a scale are positively correlated with each other because they are measuring, to a certain extent a common entity. The average correlation of an item with all other items in the scale tells us about the extent of the commonly entity. If items are not positively correlated with each other, we have no reason to believe that they are correlated with other possible items we may select. In this case, we do not expect to see a positive relationship between their test and other similar tests. (For more details see: Lord, F and Novick, m, 1968 "Statistical Theories of Mental Test Scores," Reading, Massachnsetts: Addison Wesley).

2- Kruskal - Wallis One-Way ANONA Analysis

There are several statistical methods for measuring the degree of differences in opinions of members. of a group with regard to certain phenomenon. One of these ways is the chi-square and its significance, the higher the value of chi-square, the lower of its significance. If this latter value is less than or equal to 0.05, this indicates the existence of differences in the view of the group members, otherwise it is negligible.