Identification of Service Quality Gaps on e-Banking Service: A Comparative Analysis of Two Selected Banks in Nigeria

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***Abstract*: The study analyzes service quality gaps and takes into consideration the problem of service quality delivery where the quality losses occur. Many service quality gaps are reviewed in this paper. But four out of five quality gaps by Parasuraman, Zeithaml and Berry (1985, 2006) are examined. These gaps are evaluated in relations to the e-banking channels used by two selected Nigerian banks: UBA and Diamond banks. The main management problem, according to research achievements, is the gap between managers' perception of customers' expectation and service performance among the selected banks. To achieve the spelt objectives, which were designed from four identified gaps in the service quality model, the study utilized survey design; and data was collected though a self-administered questionnaire from a number of 131 respondents who were staff of two selected banks in Ibadan, Oyo State, Nigeria. Statistical technique software SPSS was employed to aid the data analysis. Having analyzed the data, the study found out that the gap between customers' expectations and managers' perception of customers' expectation affect e-banking service. The study also revealed that gap between banks external communication and service performance has negative effect on customers' satisfaction. The work among other things recommends that special attention should be given to the problems of service specifications formulation. The study also advised that each service organization must analyze carefully their own specific quality gaps, preferably beginning from customers' expectations and customers' complaints. It is believed that the concept will be a useful tool in managerial decision making concerning issues relating to customers service delivery.**

***Keywords:* Service Management, Service Quality, Service Quality Gaps and e-Banking.**

1. INTRODUCTION

Background to the Study:

Provision of excellent service quality in order to receive high customer satisfaction is a vital issue as well as a challenge facing the contemporary service industry, most especially banking organizations. It is for this reason that this issue has become of great importance for both academics and practitioners in the subject area of marketing (Ghasemi, 2012). It is not the first time that service quality appears to obtain such importance. Through the last 20-25 years many firms have invested in service initiatives and promoted service quality as ways to differentiate themselves and thus gain competitive advantage (Zeithaml & Berry 2006). It has been the rapid development and competition of service quality in many commerce arenas that has made it important for firms to measure and evaluate (Brown & Bitner, 2007).

Brassington and Pettit (2003) stated that in a growing service sector there is still the most problematic challenge how to deal with service quality. Quality is one of the most expected by customer's aspect of almost all service products. High and unique quality is a way to win customers and make them loyal for a long time. Management literature proposes many concepts and approaches concerning how to deal with service quality. There are also many different concepts how the notion "service quality" should be understood.

Kotler and Keller (2014) explain that among many concepts of service quality, the service quality gaps model plays an un-questionably significant role in the service management literature. Gaps approach proposes precious propositions on how the notion "service quality" might be understood and how the service quality emerges across a service organization. This model postulated by (Parasuraman, Zeithaml & Berry, 1985) consists of the following gaps: customers' expectations vs. their understanding by managers, managers' perception of customers' expectations vs. service specifications, service specifications vs. fulfillment, information about service vs. service that is actually provided, and, finally, the gap between customers' expectations and service provided. In spite of the fact that the five service quality gaps model is relatively well known, still many researchers propose new frames of service quality gaps. Also there are not too many empirical researches concerning service quality gaps.

Increased competition, highly educated consumers, and increase in standard of living are forcing many businesses to review their customer service strategy. Many business firms are channeling more efforts to retain existing customers rather than to acquire new ones since the cost of acquiring new customer is greater than cost of retaining existing customers.

There is enough evidence that demonstrates the strategic benefits of quality in contributing to market share and return on investment. Maximizing customer satisfaction through quality customer service has been described as 'the ultimate weapon' by Davidow and Vital (2009). According to them, in all industries, when competitors are roughly matched, those with stress on customer's service will win. In view of the above mentioned facts, an analysis of service quality perceptions from customer's point of view may be sound and interesting at this juncture. Such an analysis will provide banks, a quantitative estimate of their services being perceived with intricate details such as whether banks are meeting the expectations of the customers or not.

Service quality is a comparison of expectations with performance (Jobber, 2006). From the viewpoint of management, service quality is an achievement in customer service. It reflects at each service encounter. A customer's expectation of a particular service is determined by factors such as recommendations by peers, personal needs and past experiences. The expected service and the perceived service sometimes may not be equal, thus leaving a gap.

Generally in the recent times, the Nigeria banking industry is facing rapid changes in the market, such as: new technologies, economic uncertainties, fierce competition, more demanding customers and the changing climate which lead to an unprecedented set of challenges. Banking is a customer oriented service industry which has witnessed a radical shift in the market power. The effectiveness and efficiency became the buzzword of the success of banking operations and its proper functioning particularly with respect to providing quality services to the customers. Effective customer service is a dynamic interactive process which needs continuous improvement. With the advancement of information technology and communication system, the whole world has been reduced to a global village, which has poses may challenges for many Nigeria's banking organizations.

The customers at the present juncture are well exposed to unstoppable innovations in communication technology. He/she is aware of the kind of service level available around the world and thus expects the best from his/her bank. Customer service is not only a critical function but plays a vital role for the business. It is the next most important business strategy. A bank can be said as customer oriented if its various organizational activities like organizational restructuring, staffing, and coordination are geared up to fulfill the needs of customers. The best tactics for understanding this is through adequate service gap analysis.

During the past two decades or so, regulatory, structural and technological factors have significantly changed the banking environment in Nigeria. In a milieu which becomes increasingly competitive, service quality as a critical measure of organizational performance continues to compel the attention of banking institutions. The interest is largely driven by the realization that higher service quality may results in customers' satisfaction and loyalty, greater willingness to recommend to someone else, reduction in complaints and improved customer retention rates. Unfortunately, many banking firms in Nigeria have not effectively profile their service quality gaps analysis, a factor many think can be detrimental to banks customers' relationship management.

It is against the background and in the light of the above problems that this study seeks to identify service quality gaps on e-banking activities among banking firms in Nigeria.

Objectives and Research Hypothesis:

The main objective of this study is to identify the service quality gaps on the e-banking service of UBA and Diamond Bank. The following specific objectives are formulated in the main areas of service quality:

i. To evaluate the gap between customers' expectations and bank managers' perception of customers' expectation

ii. To examine the gap between managers' perception of customers' expectations and bank-service specifications

iii. To investigate the gap between bank-service specifications and service performance

iv. To determine the gap between external communication and bank-service performance.

v. To highlight the impact of service gap analysis on the effective delivery of e-banking service in UBA and Diamond banks.

In addition to the questions, the following hypotheses are formulated. They are stated in Null forms:

i. Gap between customers' expectations and bank managers' perception of customers' expectation cannot affect e-banking service

ii. Gap between managers' perception of customers' expectations and bank-service specifications do not have significant impact on UBA and Diamond banks effectiveness

iii. Gap between service specifications and service performance impact negatively on the productivity of UBA and Diamond banks

iv. Gap between external communication and service performance have negative effect on customers satisfaction.

2. LITERATURE REVIEW

General Overview and Dimensions of Service Quality:

Service Quality' is a business administration term used to describe achievement in service. It reflects both objective and subjective aspects of service. The accurate measurement of an objective aspect of customer service requires the use of carefully predefined criteria. The measurement of subjective aspects of customer service depends on the conformity of the expected benefit with the perceived result. This in turn depends upon the customer's imagination of the service they might receive and the service provider's talent to present this imagined service.

A customer will have an expectation of service determined by factors such as recommendations, personal needs and past experiences. The expectation of service and the perceived service result may not be equal, thus leaving a gap. Ten determinants which may influence the appearance of a gap were described by Parasuraman, Zeithaml and Berry (2006):

i. Competence' is the possession of the required skills and knowledge to perform the service.

ii. Courtesy refers to factors such as politeness, respect, consideration and friendliness of the contact personnel; consideration for the customer's property and a clean and neat appearance of contact personnel.

iii. Credibility' refers to factors such as trustworthiness, believability and honesty. It involves having the customer's best interest at heart. It may be influenced by company name, company reputation and the personal characteristics of the contact personnel.

iv. Security' represents the customer's freedom from danger, risk or doubt including physical safety, financial security and confidentiality.

v. Access' refers to approachability and ease of contact.

vi. Communication' mean both informing customers in a language they are able to understand and also listening to customers. A company may need to adjust its language for the varying needs of its customers.

vii. 'Reliability' is the ability to perform the promised service in a dependable and accurate manner.

viii. 'Responsiveness' refers to the willingness of employees to help customers and to provide prompt timely service

An analysis of service quality literature suggests four underlying themes:

(*a*) It is more difficult to evaluate than quality of tangible goods.

(*b*) Evaluation of quality is not made solely on the outcome service; they also involve the evaluation of the process of service delivery (Parasuraman, Zeithamal& Berry, 1985).

(*c*) Service cannot be separated from the creator of service. These are created, consumed and dispensed at the same time.

(*d*) Although the services are intangible but through visualization, association, physical representation and documentation; intangibility of the services can be improved.

Nigerian Banking Industry & Service Quality:

The banking industry is facing rapid changes in the market, such as: new technologies, economic uncertainties, fierce competition, more demanding customers and the changing climate which lead to an unprecedented set of challenges. Banking is a customer oriented service industry which has witnessed a radical shift in the market power. The effectiveness and efficiency became the buzzword of the success of banking operations and its proper functioning particularly with respect to providing services to the customers. Service is an invisible thing which is indispensable from the person who extends it. An efficient or effective service is one which is extended appropriately by identifying and understanding the needs of the individual customer from time to time. Customer service is a dynamic interactive process which needs continuous improvement. With the advancement of information technology and communication system, the whole world has been reduced to a global village (Dash, Dash & Sharma, 2012).

The customers at the present juncture are well exposed to unstoppable innovations in communication technology. He/she is aware of the kind of service level available around the world and thus expects the best from his/her bank. Customer service is not only a critical function but plays a vital role for the business. It is the next most important business strategy. The improved customer service will definitely increase profitability. A bank can be said as customer oriented if its various organizational activities like organizational restructuring, staffing, and coordination are geared up to fulfill the needs of customers.

During the past two decades or so, regulatory, structural and technological factors have significantly changed the banking environment in Nigeria. In a milieu which becomes increasingly competitive, service quality as a critical measure of organizational performance continues to compel the attention of banking institutions. The interest is largely driven by the realization that higher service quality results in customers' satisfaction and loyalty, greater willingness to recommend to someone else, reduction in complaints and improved customer retention rates

In the era of globalization and liberalization, economic reform has become an imperative to remain in the main stream of global economy. In this regard, banking sector being the backbone of the economy cannot maintain status quo. It is legitimately feared that the privileged status, which banks enjoyed for the last three decades, has already been changed with the entry of new players in the form of private and foreign banks. Under these circumstances, the banks will have to face pronged challenges to retain the existing customers and to create new customers.

However, success rate depends on the innovative strategies adopted by the banks including better customer services and adequate fulfillment of customer expectations. Thus, customer satisfaction is quite a complex issue and there is a lot of debate and confusion about what exactly is required and how to go about it (Nwabueze, 2001).

Importance of Service Quality in Banks:

Increased competition, highly educated consumers, and increase in standard of living are forcing many businesses to review their customer service strategy. Many business firms are channeling more efforts to retain existing customers rather than to acquire new ones since the cost of acquiring new customer is greater than cost of retaining existing customers.

There is enough evidence that demonstrates the strategic benefits of quality in contributing to market share and return on investment. Maximizing customer satisfaction through quality customer service has been described as 'the ultimate weapon' by Davidow and Vital (2009).

According to them, in all industries, when competitors are roughly matched, those with stress on customer's service will win. In view of the above mentioned facts, an analysis of service quality perceptions from customer's point of view may be sound and interesting at this juncture. Such an analysis will provide banks, a quantitative estimate of their services being perceived with intricate details such as whether banks are meeting the expectations of the customers or not.

Measuring Service Quality in Banking Sector:

Achumba (2003) explains Customer is vital for the development of trade, industry and service sector particularly in financial services. Therefore, the significance of customer service in the banking sector came to force to compete in a market driven environment. Measuring service quality in the service sector particularly in the banking sector is more difficult than measuring the quality of manufactured goods. The service sector as a whole is very heterogeneous and what is heterogeneous may hold true for one service and may not hold for another service sector.

Each bank is having a variety of services. Due to this differentiation, services in this industry could not be standardized, moreover these services are intangible in nature which could not be compared or seen. The concept of customer satisfaction and service quality is interrelated with each other. Moreover satisfaction of customer depends upon service quality and service quality is increasingly offered as a strategy by marketers to position themselves more effectively in the market place. Due to the advent of e-banking, quality of service has been improved a lot as compared to traditional banking services. Internet banking, Mobile banking, automated teller

Service Focus Areas of Banking Industry:

There are a variety of services like retail banking, corporate banking, investment banking, commercial banking, personnel banking, wholesale banking, internet banking etc.

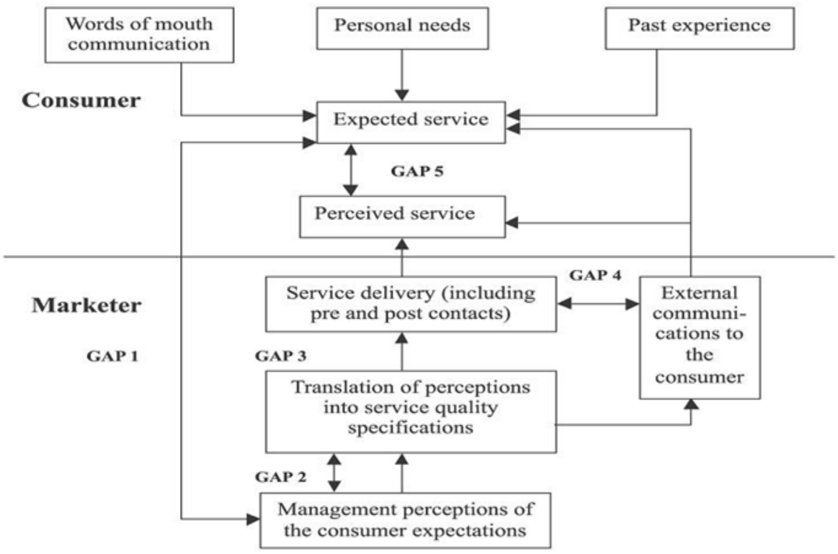
As customers become more sophisticated, therefore, it becomes essential to consider the use of technology to respond to their continuous needs. Banking is an industry highly involved with the customers. Customers in developing economies seems to keep the "technological factors" of services as the yardstick in differentiating good & bad services and the human factor – the employees seem to play a lesser role in discriminating the quality of service for banks. The variations in services offered by the banks develop excellence for service quality. Banking is no longer regarded as business dealing with money transaction alone, but it also seem as a business related to information on financial transaction. Customers at the corporate level or at retail level have always been important for the banks. As electronic banking is becoming more prevalent, level of customer satisfaction is also changing the scenario of technological environment.

Informational technology in the form of e-banking plays a significant role in providing better services at lower cost. Several innovative IT based services such as Automated Teller Machine (ATM), Internet banking, Smart Cards, Credit Cards, Mobile banking, Phone banking, Anywhere-Anytime banking have provided number of convenient services to the customer.

So as the service quality improves, the probability of customer satisfaction increases. Increase satisfaction in turn increases the mutual understanding, customer retention and a bond of trust between customers and banks. The banks which are providing these services on a wider scale to customers are more reputed in the eyes of customers. But at the same time technology based product is different in public and private sector banks. Bank automation and electronic banking is fast in private sector comparative to public sector.

E-banking is an improvement over traditional banking system because it has reduced the cost of transaction processing, improved the payment efficiency, financial services and also has improved the banker-customer relationship. The relationship between e-banking and service quality can be studied with the level of satisfaction. E-banking plays a pivotal role in giving satisfaction to the customers because e-banking fills the gap between the expected and perceived service quality. So in order to fill this gap, banks should find ways of making electronic services more accessible and by allowing the customer to verify the accuracy of the e-banking transaction

Service Quality Gaps Analysis:



Source: Parasuraman *et al.* (1985)

The Gap model of service quality was developed by Parasuraman, Berry and Zeithaml (1985), and more recently described in Zeithaml and Bitner (2003). It has served as a framework for research in services marketing, including hospitality marketing, for over two decades. The model identifies four specific gaps leading to a fifth overall gap between customers expectations and perceived service.

1. Customers have expectations for service experiences and they use them to measure against the perceived service performance in their judgment of service quality. It is essential, then, that managers determine what those expectations are when designing the service. The first gap in service quality occurs when management fails to accurately identify customer expectations. It is referred to as the ***knowledge gap*.** Specifically, it is the difference in customer expectations and managements perception of customer expectations. Hotel managers, for instance, must know and understand what their guests expect from their stay, including all tangibles (the room, amenities, lobby features) and intangible components (availability of additional services, ease of check-in and check-out procedures). The size of the gap is dependent on:

i. the extent of upward communication (from customers to top management),

ii. the number of layers of management,

iii. the size of the organization,

iv. and most importantly, the extent of marketing research to identify customer expectations.

2. The second gap is referred to as the ***design gap***. It is measured by how well the service design specifications match up to management's perception of customer expectations. The extent of this gap is dependent on management's belief that service quality is important and that it is possible, as well as the resources that are available for the provision of the service. A restaurant manager may understand customer expectations for being served within 20 minutes of ordering, but may not have the resources or the appropriate number of staff to insure that speed of service

3. Gap 3 represents the variation in service design and service delivery. Known as the ***performance gap,*** its extent is a function of many variables involved in the provision of service. Since individuals perform the service, the quality may be affected by such factors as skill level, type of training received, degree of role congruity (agreeability) or conflict, and job fit. Some service providers (i.e. waiters, front-desk staff) do not have a high service inclination, despite training. Service recovery efforts along with extent of responsibility and empowerment also affect the size of this gap.

The process is further complicated by the customers participation in the service encounter. A customer may make a special request for a room type different from the one originally reserved, or request a menu item after the initial order has been completed, making it more difficult to perform the service as intended.

4. The fourth gap is called the ***communications gap***. It is the difference between what is promised to customers, either explicitly or implicitly, and what is being delivered. Hospitality companies use advertising, personal selling, and sales promotion to inform, persuade, and remind guests about its products and services. Showing beautifully appointed hotel rooms, refreshing swimming pools, and luxurious lobby areas in an advertisement communicates to the target customers. The extent of communications between the company and the advertising agencies will affect the size of the gap. Over-promising is commonly responsible for the communication gap. Each gap has a cumulative effect from the preceding gaps.

5. Gap 5 is the total **accumulation of variation in Gaps** 1 through 4 and represents the difference between expectations and perceived service. Furthermore, consumers evaluate perceived service along five quality dimensions

Theoretical Frameworks:

Service Quality Gaps Model:

The most well known model is the model of Parasuraman et al. (1985) which is widely utilized in the literature. The model attempts to show the salient activities of the service organization that influence the perception of quality. Moreover, the model shows the interaction between these activities and identifies the linkages between the key activities of the service organization or marketer which are pertinent to the delivery of a satisfactory level of service quality. The links are described as gaps or discrepancies: that is to say, a gap represents a significant hurdle to achieving a satisfactory level of service quality (Ghobadian, 1994). Parasuraman et al. (1985) proposed that service quality is a function of the differences between expectation and performance along the quality dimensions. They developed a service quality model based on gap analysis. The gaps include (Seth & Deshmaukh, 2005):

Gap 1: *Customer expectation-management gap*. This gap addresses the difference between consumers' expectations and management's perceptions of service quality.

Gap 2: Management perception-service quality specifications gap. This gap addresses the difference between management's perceptions of consumer's expectations and service quality specifications, i.e. improper service-quality standards.

Gap 3: Service quality specification-service delivery gap. This gap addresses the difference between service quality specifications and service actually delivered, i.e. the service performance gap.

Gap 4: Service delivery-external communication gap. This gap addresses the difference between service delivery and the communications to consumers about service delivery, i.e. whether promises match delivery.

Gap 5: Expected service-perceived service gap. This gap addresses the difference between consumer's expectation and perceived service. This gap depends on size and direction of the four gaps associated with the delivery of service quality on the marketer's side.

According to this model, SERVQUAL scale has proposed by Parasuraman et al.(1985) for measuring the five Gaps. Parasuraman et al. (1985) mentioned ten factors for evaluating service quality (including tangible, reliability, responsiveness, courtesy, credibility, security, accessibility, communication and understanding the customer).

These ten factors are simplified and collapsed into five factors. These five dimensions are stated as follows (Van Iwaarden., 2003; Shahin, 2006):

1) Tangibles: Physical facilities, equipments and appearance of personnel.

2) Reliability: Ability to perform the promised service dependably and accurately.

3) Responsiveness: Willingness to help customers and provide prompt service.

4) Assurance (including competence, courtesy, credibility and security): Knowledge and courtesy of employees and their ability to inspire trust and confidence.

5) Empathy (including access, communication, understanding the customer): Caring and individualized attention that the firm provides to its customers.

Internal Service Quality Model:

Frost and Kumar (2000) developed an internal service quality model. The model evaluates the dimensions, and their relationships which determine service quality gaps among internal customers (front-line staff) and internal suppliers (support staff) within a large service organization. The gaps are as follows:

Internal gap 1: Difference in support staff's perception (internal supplier) of front-line staff's expectation (internal customers).

Internal gap 2: Difference between service quality specifications and the service actually delivered resulting in an internal service performance gap.

Internal gap 3: Difference between front-line staff's expectations and perceptions of support staff's (internal supplier) service quality. This is the gap which focuses on the front-line staff (internal customers).

Model of Service Quality Gaps:

Luk and Layton (2002) developed the traditional model of Parasuraman et al. (1985) by adding two more gaps. They reflect the differences in the understanding of consumer expectations by manager and front-line service providers and the differences in consumer expectations and service providers' perception of such expectations.

Review of Previous Studies:

Jain, Gupta and Jain (2012) in their study "Customer Perception on Service Quality in Banking Sector: With Special Reference to Indian Private Banks in Moradabad Region" try to learn and understand the customer perception regarding service quality and to learn and understand the different dimension of service quality in banks. The Sample size used is 100 and the sample universe is Moradabad. The service quality model developed by Zeithamal, Parasuraman and Berry (1988) has been used in the present study. The analysis reveals that among the private sector banks all the dimensions of service quality are equally important.

Singh and Khurana (2011) in their research "Analysis of Service Quality Gap and Customers‟ Satisfaction in Private Banks" tried to examine Gender wise customers‟ expectations and perceptions of service quality provided by the Private Banks in Hissar District. Secondly, to identify whether there is difference in expectation & perception of service quality of male & female customers. Lastly, to identify the main attributes of service quality in which male & female (separately) are more satisfied or dissatisfied. The Sample Size is 300 with Sample Universe including Private Banks in Hissar. The Sampling Technique used was Quota Sampling. A questionnaire consisting of 22 items based on SERVQUAL model was administered on the sample. The results indicated that the quality of services private banks provide was below customers „expectations.

Adeoti, Adeola, and Oguneleye (2010) in their paper "A Service Gap Analysis in Private Sector Banks- an Empirical Study of Customers‟ Expectations vs. Perceptions" evaluate the Quality of Service in selected commercial banks. They also tried to identify the gap between customer expectations and their perceptions. The Sample Universe is Unity and FCMB banks. The study followed SERVQUAL as a framework and one dimension (accessibility) was added to the previous dimensions to fit into the study. The gap analysis shows that empathy shows a bigger gap between customer expectation and perception of service quality. The multi - regression analysis shows that the dimension Empathy Reliability-Assurance positively influences the banking service quality.

Hinson, Mohammed, and Mensah, (2006) through their work on "Determinants of Ghanaian Bank Service Quality in a Universal Banking Dispensation" tried to compare service quality across these three banks and to determine the most important factors contributing to service quality. The sample size is 250 and Sample Universe was Ghana. An adaptation of the SERVQUAL model was used for this study. The study revealed that all the service quality dimensions contributed significantly to the prediction of service quality in Ghana. Among all the service quality dimensions, human element of service quality was found to be highly predictive of perceived service quality.

3. METHODOLOGY

This research adopts a "*survey method"* and design. The area of this study consists of Ibadan, Oyo state Nigeria. The South-west Regional offices of both UBA and Diamond banks in Ibadan were selected. The population of this work consists of the staff of the two selected banks: UBA and Diamond Plc. The populations of this staff are: UBA Plc, Iwo Road, Ibadan, one-hundred and one (101) and Diamond Bank Plc, Main Head, Ibadan, ninety-eight (98). This figure was gotten from the HR Managers' of the selected banks.

Having defined the population, the researcher determined the size of the sample. Total final sample sizes of 131 were derived from the study population of 199**.** The non-probability *convenience* sampling was used as the sampling technique for this study.

Data for the study were collected mainly from primary source. Data were gathered from the primary source through questionnaire that was self-administered. The sample respondents consist of the staff of the UBA and Diamond bank plc in Ibadan Regional Offices. The secondary source of information such as materials from journals, textbooks and internet were also extensively utilized in the literature review part of the research work.

The only instrument used in collecting the necessary primary data for this study was questionnaire. The questionnaire was designed in a simple way to elicit information from the staff of the selected UBA and Diamond plc

4. DATA PRESENTATION AND ANALYSIS

This section presents various data gathered and the analytical techniques used. Of the one hundred and thirty one (131) questionnaires administered, only one hundred and twenty eight (128) representing 97.7% were returned and found good for the data analysis.

Data Presentation/Analysis:

Table 1: Biographical data of the respondents

Biography Info	Options	Freq	Percent
Gender	Male	78	60.9%
	Female	50	39.1%
	Total	**128**	**100%**
Managerial Position	Top Level	14	10.9%

	Middle Level Lower Level **Total**	38 76 **128**	29.7% 59.4% **100%**
Departments	Human Resources Marketing/Relations Finance/Admin. Operations Others **Total**	13 56 9 37 13 **128**	10.1% 43.8% 7.1% 28.9% 10.1% **100%**

Source: Researcher Field Survey, 2016

The biographical information shown above revealed that many of the respondents of the selected two banks were male (60.9%). Also, majority of the respondents in the organizations were of middle and low level managerial positions (89.1%) which definitely give the work more meaningful responses since the issues relating to service quality gaps especially affect these management cadres most. Finally, our respondents come mostly from marketing and customers' relationship (43.8%) and operations (28.9%) departments. This gives us a true representation to justify the issues of marketing e-banking service delivery.

Test of Hypothesis:

Four hypotheses formulated are tested as follow using one-way z-test and correlation analysis. Hypothesis one and two were tested using z-test, while hypothesis three and four were tested with correlation analysis test. **SPSS version 21** was used to analyze the various tests.

Hypothesis One:

HO: Gap between customers' expectations and bank managers' perception of customers' expectation cannot affect e-banking service

HA: Gap between customers' expectations and bank managers' perception of customers' expectation affects e-banking service.

Table 2a: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Customers perception and e-banking service	127	39.6000	19.84103	3.96821

Table 2b: One-Sample Test

	Test Value = 0					
					95% Confidence Interval of the Difference	
	Z	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
Customers perception and e-banking service	9.979	127	.000	39.60000	31.4100	47.7900

Hypothesis Two:

HO: Gap between managers' perception of customers' expectations and bank-service specifications do not have significant impact on UBA and Diamond banks effectiveness.

HA: Gap between managers' perception of customers' expectations and bank-service specifications have significant impact on UBA and Diamond banks effectiveness.

Table 3a: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Customers perception and Banks' effectiveness	127	49.3400	19.84103	3.1171

Table 3b: One-Sample Test

	Test Value = 0					
					95% Confidence Interval of the Difference	
	Z	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
Customers perception and Banks' effectiveness	7.191	127	.000	49.3400	33.2200	44.1410

Source: SPSS analysis of field data 2016

Hypothesis Three

HO: Gap between service specifications and service performance impact negatively on the productivity of UBA and Diamond banks

HA: Gap between service specifications and service performance impact positively on the productivity of UBA and Diamond banks

Table 4: Correlations

		Services Performances	Banks Productivity
Services Performances	Pearson Correlation	1	.868**
	Sig. (2-tailed)		.057
	N	551	502
Banks Productivity	Pearson Correlation	.868**	1
	Sig. (2-tailed)	.057	
	N	551	502

Hypothesis Four:

HO: Gap between external communication and service performance has negative effect on customers' satisfaction

HA: Gap between external communication and service performance has positive effect on customers' satisfaction

Table 5: Correlations

		Service Performances	Customers Satisfaction
Service Performances	Pearson Correlation	1	.916**
	Sig. (2-tailed)		.029
	N	551	502
Customers Satisfaction	Pearson Correlation	.916**	1
	Sig. (2-tailed)	.029	
	N	551	502
**.Correlation is significant at the 0.05 level (2-tailed).			

Result Findings:

i. Gap between customers' expectations and bank managers' perception of customers' expectation affects e-banking service**.**

Having analyzed the data from the questionnaire using z-test to examines if the Gap between customers' expectations and bank managers' perception of customers' expectation affects e-banking service, the **tables 2a&b** revealed that the z-test result shows the existence of significant result on the variables ($z = 9.979 >$ at $p< 0.05$). The significant level was found to be 0.00, and due to this we reject the null hypothesis and accept the alternate one which states that *Gap between customers' expectations and bank managers' perception of customers' expectation affects e-banking service.*

ii. Gap between managers' perception of customers' expectations and bank-service specifications have significant impact on UBA and Diamond banks effectiveness

Having analyzed the data from the questionnaire using z-test to examines if the Gap between managers' perception of customers' expectations and bank-service specifications have significant impact on UBA and Diamond banks effectiveness, the **tables 3a&b** revealed that the z-test result shows the existence of significant result on the variables ($z = 7.191 >$ at $p < 0.05$). The significant level was found to be 0.00, and due to this we reject the null hypothesis and accept the alternate one which states that *Gap between managers' perception of customers' expectations and bank-service specifications have significant impact on UBA and Diamond banks effectiveness*

iii. Gap between service specifications and service performance and its impact on the productivity of UBA and Diamond banks

Data for the test of this hypothesis were obtained from responses from the questionnaire. Correlation analysis was used to test the validity of service performances and its impact on the productivity of the selected two banks. The **tables 4** above reveals that while the r calculated result shows the existence of significant result on the variables ($r = 0.868$ at $p < 0.05$). The significant level is 0.057, and due to this we reject the null hypothesis and accept the alternate one which states that *'Gap between service specifications and service performance and its impact on the productivity of UBA and Diamond banks*

iv. Gap between external communication and service performance and its effect on customers' satisfaction

Data for the test of this hypothesis were obtained from responses from the questionnaire. Correlation analysis was used to test the validity of service performance and its effect on customers satisfaction. The **tables 5** above reveals that while the r calculated result shows the existence of significant result on the variables ($r = 0.916$ at $p < 0.05$). The significant level is 0.029, and due to this we reject the null hypothesis and accept the alternate one which states that *Gap between external communication and service performance and its effect on customers' satisfaction.*

5. CONCLUSIONS AND RECOMMENDATIONS

Present study confirms that the gap analysis model should guide management in finding out where the reason (or reasons) for the quality problems lie and in discovering appropriate ways to close the gap. It is a useful concept that might be helpful in management practice. From the present study it can be concluded that the highest gap was found in the dimension of communication and service performance. The banks have to reduce this gap giving individual personal attention to understand customer specific needs. The customers trust the commercial (deposit money) banks. These banks have existed in the market for a longer period than the other sector banks. The reliability factor is a positive factor for these banks. Therefore these banks should position themselves in the market on the basis of this dimension and promote themselves aggressively. Last but not the least, the customer base of the deposit money/ commercial banks is very big as compared to the other sector banks like micro finance and mortgage institutions therefore it is important to retain them. It becomes imperative for the private sector banks to train their employees to treat the customers with empathy so as to minimize the service quality gaps that may surface.

In line with these main findings and conclusions, the following recommendations are offered:

i. Special attention should be paid to the problems of service specifications formulation. It appears as the main quality gap which firmly causes quality losses. Also the external communication emerges as important reasons of quality losses

ii. Banks should have a strong customer relationship management system that would indicate the worth of the customer and the ability to understand his needs while interacting with him, so as to cross sell their products.

iii. Skill sets of employees need up gradation so as to make them more comfortable with the latest technology that will increase their comfort level, while educating customers to use the same in their day to day dealings.

iv. Banks may follow a feedback system to know the customers‟ expectations for improving the level of customer satisfaction to the maximum level. Responses on service reliability should be continuously obtained from customers.

v. In order to improve the reliability factor banks should try not to appear as money mongers as should be clear and precise about their terms and conditions. They should not have hidden meanings and hidden terms in their documents.

vi. Finally, each service organization needs to analyze carefully their own specific quality gaps, preferably beginning from customers' expectations and customers' complaints. The concept will be really useful in management decision making concerning issue relating to customers service.

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