

Factors Affecting the Satisfaction of Customers in Bidv Vung Tau Branch Bank

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Abstract:- This study was conducted to assess customer satisfaction in substance amount of service. By quantitative research, with a sample size of 150 clients using products of BIDV Bank, Vung Tau Branch, research results show that material ($\beta = 0.173$), sympathy ($\beta = 0.499$) and reliability ($\beta = 0.365$) influence customer satisfaction. Finally, the research sheds light some managerial implications for improving customer satisfaction on quality of banking services, give some limitations and suggestions for future research.

I. INTRODUCTION

Today, improving the quality of services performed by banks is the surviving factor and target that banks pursue. It is a trend and necessity in the commercial bank. Vietnam Bank for Investment and Development of Vietnam (BIDV) is not out that trend. BIDV is also trying to diversify its products, improve service quality in order to aim BIDV to become a leading retail bank in Vietnam, holding a large share of outstanding loans, capital mobilization, and card services with quality and top performance in Vietnam. Therefore, the study of the factors that affect customer satisfaction when using BIDV's products and services is very necessary.

II. THEORETICAL BACKGROUND

A. Model SERVPERF

Cronin & Taylor (1992) uses the 5-component structure of service quality Parasuraman & (1988), but only the component of perceived success, named SERVPERF scale. SERVPERF MODEL: Quality of Service = Feeling

➤ When setting the SERVPERF scale, Cronin & Taylor (1992) uses these attributes

SERVQUAL's quality of service but eliminates the "expectation". Due to the origin of the scale measurement of the SERVQUAL model, components and observation variables of the SERVPERF model like SERVQUAL. Therefore, this measurement model is also known as the sensory model (Perception Model).

B. The Relationship between Quality of Service and Customer Satisfaction

➤ Oliver (1993) argues that service quality affects the level of satisfaction

Customer. which is, quality of service is determined by many factors, one part of the decisive factor of satisfaction. The study used the SERVPERF model of Cronin & Taylor (1992) measured the quality of retail banking services at BIDV, Vung Tau branch. Based on the results of the qualitative research, the team members discussed that 03 Factors Explaining Customer Satisfaction on Retail Banking Service Quality at BIDV, Vung Tau Branch shown in Figure 1.

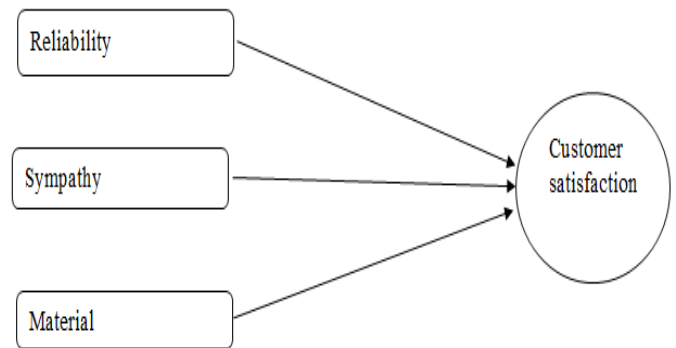


Fig 1:- The proposed research model

- Hypothesis H1: Reliability has the same effect on customer satisfaction
- Hypothesis H2: Sympathy influences the same way to customer satisfaction
- Hypothesis H3: Material affect the same way to customer satisfaction

III. RESEARCH DATA

The official sample is chosen in a convenient manner according to the principle 5: 1 (Bollen, 1989). Model has (17 variable observations) * 5 = 85 so the sample size is at least 85. The number of votes is 170 for BIDV branches and transaction offices, Vung Tau branch. Number of votes received 165 votes, of which 15 invalid votes, the remaining 150 votes invalid.

IV. RESEARCH RESULTS

The results of the CFA analysis with the saturated model: $\chi^2 [62] = 101$ ($p = 0.000$). If adjusted by degrees of freedom: $CMIN / df = 1,632$ & $\lt; 2$, satisfied compatibility. Other indicators: $GFI = 0.916$; $TLI = 0.960$; $CFI = 0.968$; $RMSEA = 0.065 < 0.80$ are satisfied. CFA coefficients of all

the observed variables are greater than 0.5, confirming unidirectionality and convergent validity of the constructs. Thus, the saturated model matches with the market data.

0.941; CFI = 0.952; RMSEA = 0.072. The Heywood phenomenon does not appear during the estimation of CFA and SEM models. Thus, it is possible to conclude the model. This is suitable for the market data.

SEM results (Figure 2) theoretical model: $\chi^2 [98] = 175$; $p = 0.000$; $CMIN / df = 1,782 < 2$; $GFI = 0.876$; $TLI =$

| Relationships | | | Estimate | | | C.R. | P |
|---------------|------|-------------|----------|-------|-------|-------|-------|
| | | | B | S.E. | b | | |
| Satisfaction | <--- | Material | 0.198 | 0.078 | 0.173 | 2.535 | 0.011 |
| Satisfaction | <--- | Sympathy | 0.526 | 0.107 | 0.499 | 4.928 | *** |
| Satisfaction | <--- | Reliability | 0.373 | 0.101 | 0.365 | 3.680 | *** |

Table 1:- SEM model estimation results

Note: B: unstandardized estimates, b: standardized estimates

REFERENCES

Estimates of key parameters are presented in Table 1. Accordingly, sympathy has the strongest positive effect on satisfaction ($\beta = 0.499$; $p = 0.000$); Next, reliability has a positive effect on customer satisfaction ($\beta = 0.365$; $p = 0.000$). Finally, material has a positive effect on customer satisfaction ($\beta = 0.173$; $p = 0.011$).

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V. CONCLUSIONS AND MANAGERIAL IMPLICATIONS

A. Conclusions

This research demonstrated the positive relationships between the components of service quality and customer satisfaction. Research results are consistent with prior research. The proposed hypotheses are accepted, no hypotheses are rejected.

B. Managerial implications

- Improving the sympathy factor: Helping customers in the process of using the service, maintaining relationships with customers: Send thanks’s letters, congratulatory letters, occasional visits, Tet holidays ... and implement customer appreciation program.
- Improved the reliability factor: Improved procedures and transaction process, automated transaction execution to minimize customer transaction time, actively improve old services and develop new services to increase utilities for customers, and enhance the consulting and customer support.
- Improved the material factor : Invest in upgrading the facilities and equipment of the transaction network. Build up facilities, attractive customers and modern equipment system to serve customers. Designing counters, customer’s transaction point with beautiful and professional and modern machinery.