

ABSTRACT

Research study aims to examine “how effect of determinants of service quality on customer satisfaction”. Independent variables of Tangibility, Reliability, Responsiveness, Assurance and Empathy are selected for the study model and Customer satisfaction is considered as the dependent variable of the model. Under research methodology of this study, the researcher has selected deductive approach for conducting the study. Both primary (Survey and in-depth interview) and secondary data collection sources are used to collected data. The time horizon of the research study is cross sectional in nature. For the selection of respondents for formal survey, Simple Random sampling was used under probability sampling for survey with total sample of 200 consisting with 50 customers from each bank. Customers who have specialist knowledge on banking activities were interviewed by distributing seven qualitative questionnaire by using convenience sampling under non probability sampling for in-depth interview. According to literature review, it is found that there is an impact of service quality on customer satisfaction. The primary survey found that there is a high impact of service quality on customer satisfaction. Further, it is found that there is a relationship between Tangibility, Reliability, Responsiveness, Assurance, Empathy and Customer Satisfaction. In-depth interview highlighted that determinants of service quality are most crucial approach to improve bank performance including customer satisfaction and financial performance effectively and efficiently. As a summary under service quality the private banks in Colombo districts significant factor is empathy whereas in public banks in Colombo district significant factor is assurance. Based on above findings, Private Banks needs to have attention on factor of assurance whereas public banks need to have attention on reliability. It is suggested for future researchers to conduct studies by considering other service quality variables for different context.

Key Words: *Service Quality, Customer Satisfaction, Private Banks, Public Banks*