

SERVICE QUALITY IN SMALL FINANCE BANKS: A STUDY ON CUSTOMER PERCEPTIONS AND EXPECTATIONS USING SERVQUAL MODEL

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ABSTRACT

A vital part of India's service industry is banking. The banking industry's and our economy's success depends on quality management and improvement. In 2014, the RBI released guidelines for licensing new banks in the country, namely small finance banks and payment banks, with the motive of further financial inclusion and serving a basic banking service to the unbanked and underbanked population of the country. Product quality, Process quality, and Human Resource quality are three ways to represent the components of quality. In this research, the five elements of service quality—tangibility, reliability, responsiveness, assurance, and empathy—are assessed using a modified version of SERVQUAL, which was first introduced by Parasuraman & Berry, 1988. This study emphasise the customers perception and expectations of service quality of small finance banks (SFBs) of Sikar District. The aim of this study is to measure the service quality based on the SERVQUAL model and customer satisfaction of a special segment of banking (small finance banks) and compare the statistics using one sample T-Test. It is concluded that service quality dimensions are crucial for customer's perceptions and expectations on service quality in small finance banks of Sikar District of Rajasthan.

Keywords: *Small Finance Banks (SFBs), SERVQUAL, Financial Inclusion, Service Quality.*

Introduction

In 1991, the Liberalization, Privatization, and Globalization (LPG) revolution in the service sector exposed the challenges of completion, service quality, cost, and the emerging environment, which has brought about a reversal in consumer habits for modern and digital banking services. In the Indian banking industry, service quality will be the most important aspect in determining a service provider's ability to survive. Several banks provided various products and services to the customers but did not deliver the basic and needful required services to the population of the country. Thus, the Reserve Bank of India issued guidelines for the new banking segments for the betterment of banking services and further financial inclusion in India.

The government and the Reserve Bank of the country have taken various initiatives to improve the banking structure, the process of licensing, and products and services. In 2014, the RBI released guidelines for licensing new banks in the country, namely small finance banks and payment banks, with the motive of further financial inclusion and serving a basic banking service to the unbanked and underbanked population of the country.

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A vital part of India's service industry is banking. The banking industry's and our economy's success depends on quality management and improvement. Product quality, Process quality, and Human Resource quality are three ways to represent the components of quality. In this research, the five elements of service quality—tangibility, reliability, responsiveness, assurance, and empathy—are assessed using a modified version of SERVQUAL, which was first introduced by Parasuraman & Berry, 1988. The aim of this study is to measure the service quality based on the SERVQUAL model and customer satisfaction of a special segment of banking (small finance banks) and compare the statistics.

Service Quality Dimensions

- **Tangibles:** Physical aspects of the service, such as facilities and equipment.
- **Reliability:** Consistency and dependability in delivering the promised service.
- **Responsiveness:** Willingness to help customers and provide prompt service.
- **Assurance:** Knowledge, courtesy, and the ability to convey trust and confidence.
- **Empathy:** The extent to which service providers understand and care about customers' needs.

Service Quality

According to Parasuraman (1988), "Service quality is an evaluation of a consumer's perceived impression of the service quality at a certain time". Some other authors also define service quality, Kotler and Keller (2009) "Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs"

Small Finance Banks (SFBs)

SFBs is a specific segment of banking created by RBI under the guidance of government of India with an objective of furthering financial inclusion by primarily undertaking base banking activities to unbanked and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised entities (RBI Press Release 2014).

Literature Review

(Pancholi K. & Singh P.K, 2018), through this article, service quality and investor perception are becoming the most important aspects of success in banking. There are several numbers of schemes, well designed to meet the customer's requirement of financial services to different segments of the population. SERVQUAL model, included five dimensions in service quality such as Tangibility, reliability, responsiveness, empathy, and assurance are considered for the analysis of post office saving banks services. This study contained 50 respondents (investors) using convenient sampling methods. The study found that those investors' expectations are higher than what they perceived services from post office saving banks of Udaipur city. (Parasuraman & Berry, 1988) according to this investigation, researchers attempt to develop a conceptual framework of service quality based on the interpretation of qualitative data from extensive explanatory research performed in four service businesses initially and later these dimensions have been integrated into only five, through which service quality can be assessed: Reliability, Responsiveness, Tangibility, assurance and empathy. The researcher on the fact that these dimensions are appropriate ones which can help reveal the customer's perception and expectations. These five dimensions were known as the SERVQUAL model, consist of two words "Service and Quality". (M. Tailselvan, V.J.P. Raj, K.Ramya & A.J.Xavier, 2023), have investigated the service quality of both the banks Public sector and Private Sector has been measured using SERVQUAL scale. For SERVQUAL scale was used to determine different dimensions of service quality and chi-square analysis was used to understand the impact of SERVPERF scale (Service Performance) on customer satisfaction. The researcher found that customers of public sector banks are more satisfied with the service quality, than those of the private sector banks. (Mubark, 2018), have described that tangibility and assurance as the foremost dimensions of service quality with their key influence on the customers. In the other hand of service quality dimension of responsiveness and empathy show a lower level of satisfaction among the bank customers. The purpose of this study is to review the literature on service quality in the banking sector. The customers expect a high level of service quality factors, which enhance the performance of the bank. (Douglas C., 2017), conducted a descriptive research to evaluate the service quality of commercial banks in Botswana. A modified SERVQUAL scale with 22 statements under 5 dimensions was used in this study in order to capture the perceptions and expectations of bank customers. Results concluded that customers were not completely satisfied with the services of commerce bank, thus in order to retain customers, banks need to improve their existing service quality.

Research Gap

Researchers from India and other countries conducted several studies to identify the dimensions and elements that affect the distribution of effective services. Several research investigations have been conducted using the SERVQUAL model in the banking sector. After a review of the literature, it was determined that no research has been done on small finance banks (SFBs) to determine which elements of service quality affect a customer's perception or whether there is a discrepancy between what customers expect and what they perceive, with a particular emphasis on Sikar District. Thus, this investigation will fill in the entire gap.

Research Objectives

- To examine the customer perception towards the product & services provided by the Small Finance Banks.
- To examine the customer expectations towards the product & services provided by the Small Finance Banks.

Research Hypothesis

• Customer Perception

H_{01(a)}: There is no significant difference in customer perception scores related to tangibility across Small Finance Banks.

H_{01(b)}: There is no significant difference in customer perception scores related to reliability across Small Finance Banks.

H_{01(c)}: There is no significant difference in customer perception scores related to responsiveness across Small Finance Banks.

H_{01(d)}: There is no significant difference in customer perception scores related to assurance across Small Finance Banks.

H_{01(e)}: There is no significant difference in customer perception related to empathy across Small Finance Banks.

• Customer Expectations

H_{02(a)}: There is no significant difference in customer expectation scores related to tangibility across Small Finance Banks.

H_{02(b)}: There is no significant difference in customer expectation scores related to reliability across Small Finance Banks.

H_{02(c)}: There is no significant difference in customer expectation scores related to responsiveness across Small Finance Banks.

H_{02(d)}: There is no significant difference in customer expectation scores related to assurance across Small Finance Banks.

H_{02(e)}: There is no significant difference in customer expectation scores related to empathy across Small Finance Banks.

Research Methodology

• Research Design

This research study is an exploratory and descriptive in nature. To achieve this, a researcher wants to know and explore several facts related to customer perceptions and expectations about products and services offered by small finance banks.

• Tools for Data Collection

For the collection of primary data, the researcher used a structured questionnaire, the SERVQUAL model, including five service quality dimensions. In the five service quality dimensions contains 20 perception items, and the same scale was used to derive the expectation score of the respondents. The respondents were asked to provide a belief rating for services offered by small finance banks using a five-point Likert scale, from strongly disagree to strongly agree.

• Sample Size

The sample size of 398 was used for the study, which included the customers of small finance banks in the Sikar district of Rajasthan.

• **Sampling Technique**

For selection of sample size the researcher used the Cochran formula:

$$n_0 = \frac{(t)^2 * (p) (q)}{(d)^2}$$

Where:

- “n0 = represents the sample size,
- t = is the value for the selected alpha level, e.g. 1.96 for (0.25 in each tail) a 95 percent confidence level,
- p = represents a proportion of the population which possesses an attribute,
- q = is 1-p. (p) (q) are the estimate of variance,
- d = is the acceptable margin of error for proportion being estimated, so the confidence interval, in decimals”.

Source: Kotrlík, J. W. K. J. W., & Higgins, C. C. H. C. C. (2001). Organizational research: Determining appropriate sample size in survey research appropriate sample size in survey research. *Information technology, learning, and performance journal*, 19(1), 43.

The computed sample size was found to be 384 using the Cochran method. Thus, 398 responses from customers of small finance banks have been collected. 500 questionnaires have been sent to respondents, out of which 398 filled questionnaire have been received from the customers of small finance banks.

Data Analysis and Interpretation

The collected data were presented in tables for the purpose of analysis. The primary data were analysed with the help of statistical software SPSS and MS. Excel. The one-sample t-test was conducted to assess whether there is a significant difference in customer perception related to tangibility, reliability, responsiveness, assurance and empathy across Small Finance Banks.

The rise of Small Finance Banks (SFBs) has fundamentally reshaped the financial landscape in India, particularly for the underbanked and underserved segments of the population. By offering tailored products and services with a focus on accessibility and convenience, SFBs have aimed to bridge the financial inclusion gap. However, understanding how customers perceive and evaluate these offerings remains crucial for sustained success. This research delves into the perceptions and expectations of customers towards SFBs, aimed at providing valuable insights for market understanding and strategic decision-making. This section of the study offers data interpretation of the Objective two of the present study.

The objective two of the present study is stated below:

• **Customer Perception**

The one-sample t-test was conducted to assess whether there is a significant difference in customer perception related to tangibility, reliability, responsiveness, assurance and empathy across Small Finance Banks.

• **Tangibility**

H01(a): There is no significant difference in customer perception scores related to tangibility across Small Finance Banks.

Table 1 (a): One-Sample Statistics on Tangibility aspect of SFBs						
	N	Mean	Std. Deviation	Std. Error Mean		
PER_TAN	398	2.8049	1.21159	.06073		
Table 1 (b): One-Sample Test on Tangibility aspect of SFBs						
	t	df	Sig. (2-tailed)	Mean Difference	Test Value = 3	
					95% Confidence Interval of the Difference	
					Lower	Upper
PER_TAN	-3.213	397	.001	-.19514	-.3145	-.0757

Source: Author's Computation

The results, Table 4.1 (a) and 4.1 (b), of the t-test indicate a statistically significant difference ($t = -3.213$, $df = 397$, $p < .05$) in customer perception scores related to tangibility. The mean perception for tangibility across the sample of 398 respondents is 2.8049, with a standard deviation of 1.21159 and a standard error of the mean of 0.06073. The mean difference is calculated as -0.19514 , with a 95% confidence interval ranging from -0.3145 to -0.0757 . The negative mean difference (-0.19514) indicates that, on average, the customer perception scores for tangibility across small finance banks are lower than the hypothesized value of 3. This implies that customers tend to rate the tangibility aspect lower than what was initially expected or hypothesized.

Since the p-value is less than the significance level ($\alpha = 0.05$), we reject the null hypothesis. This suggests that there is a significant difference in customer perception related to tangibility across Small Finance Banks. Therefore, it is evidenced that there is a meaningful difference in how customers perceive tangibility across the Small Finance Banks under consideration.

- **Reliability**

H_{01(b)}: There is no significant difference in customer perception scores related to reliability across Small Finance Banks.

Table 2 (a): One-Sample Statistics on Reliability aspect of SFBs				
	N	Mean	Std. Deviation	Std. Error Mean
PER_REL	398	2.9039	1.24465	.06239

Table 2 (b): One-Sample Test on Reliability aspect of SFBs						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
PER_REL	-1.540	397	.124	-.09611	-.2188	.0265

Source: Author's Computation

The outcomes (table 4.2 (a) and 4.2 (b) of the t-test reveal a statistically significant difference in customer perception scores associated with reliability ($t = -1.540$, $df = 397$, $p = 0.124$). The obtained t-statistic of -1.540 with 397 degrees of freedom resulted in a p-value of 0.124 (two-tailed). The negative mean difference of -0.09611 , along with the 95% confidence interval (-0.2188 to 0.0265). The obtained t-statistic does not support the rejection of the null hypothesis, as the p-value exceeds the conventional threshold of 0.05.

Therefore, based on the results, there is insufficient evidence to reject the null hypothesis, suggesting that there is no significant difference in customer perception related to reliability across Small Finance Banks.

- **Responsiveness**

H_{01(c)}: There is no significant difference in customer perception scores related to responsiveness across Small Finance Banks.

Table 3 (a): One-Sample Statistics of Responsiveness aspect of SFBs				
	N	Mean	Std. Deviation	Std. Error Mean
PER_RES	398	2.9121	1.23911	.06211

Table 3 (b): One-Sample Test on Responsiveness aspect of SFBs						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
PER_RES	-1.416	397	.158	-.08794	-.2100	.0342

Source: Author's Computation

The variable of interest is PER_RES, representing the mean score for responsiveness. The descriptive statistics, table 4.3(a), indicate a sample mean (M) of 2.9121, a standard deviation (SD) of 1.23911, and a standard error of the mean (SE) of .06211, based on a sample size (N) of 398. The one-sample t-test results, table 4.3 (b), reveal a t-statistic of -1.416 with 397 degrees of freedom. The corresponding p-value is .158 (two-tailed). The mean difference of -0.08794 , along with the 95% confidence interval for the difference (-0.2100 to $.0342$), suggests that the observed difference in customer perception scores related to responsiveness is not statistically significant. As the p-value exceeds the

conventional significance level of .05, there is insufficient evidence to reject the null hypothesis. This implies that, based on the sample data, there is no compelling evidence to support the notion that Small Finance Banks differ significantly in terms of customer perceptions of responsiveness.

• **Assurance**

H_{01(d)}: There is no significant difference in customer perception scores related to assurance across Small Finance Banks.

Table 4 (a): One-Sample Statistics on Assurance Aspect of SFBs				
	N	Mean	Std. Deviation	Std. Error Mean
PER_ASS	398	2.9215	1.24399	.06236

Table 4 (b): One-Sample Test on Assurance aspect of SFBs						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
PER_ASS	-1.259	397	.209	-.07852	-.2011	.0441

Source: Author's Computation

The descriptive statistics, table 4.4 (a), for PER_ASS, drawn from a sample of 398, disclosed a mean score of 2.9215, a standard deviation of 1.24399, and a standard error of the mean of 0.06236. The mean difference was calculated as -.07852, and the 95% confidence interval ranged from -.2011 to .0441. The inclusion of zero in the confidence interval aligns with the non-significant p-value, collectively indicating a lack of statistical significance in customer perception scores related to assurance. Additionally, the findings from the one-sample t-test, table 4.4 (b), did not reveal a statistically significant departure from the hypothesized population mean. With a t-statistic of -1.259 and 397 degrees of freedom, the associated two-tailed p-value was .209. Based on the results of the one-sample t-test, there is no compelling evidence to refute the null hypothesis. Thus, the null hypothesis is accepted.

• **Empathy**

H_{01(e)}: There is no significant difference in customer perception related to empathy across Small Finance Banks.

Table 5 (a): One-Sample Statistics on Empathy aspect of SFBs				
	N	Mean	Std. Deviation	Std. Error Mean
PER_EMP	398	2.8109	1.21710	.06101

Table 5 (b): One-Sample Test on Empathy aspect of SFBs						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
PER_EMP	-3.099	397	.002	-.18907	-.3090	-.0691

Source: Author's Computation

The descriptive statistics, table 4.5 (a), for PER_EMP revealed a mean score of 2.8109 with a standard deviation of 1.21710 and a standard error of the mean of 0.06101, based on a sample size of 398. The mean difference was found to be -.18907, and the 95% confidence interval ranged from -.3090 to -.0691. The negative mean difference suggests that the mean score for PER_EMP is lower than the hypothesized population mean. The confidence interval further supports the rejection of the null hypothesis, indicating a significant difference in customer perception scores related to empathy. The results, table 4.5 (b), of the one-sample t-test indicated the t-statistic of -3.099, with 397 degrees of freedom, yielded a two-tailed p-value of .002. In conclusion, there is sufficient evidence to reject the null hypothesis, indicating that there is no significant difference in customer perception related to empathy across Small Finance Banks.

Customer Expectation

The one-sample t-test is used to evaluate whether a noteworthy difference exists in customer expectations concerning tangibility, reliability, responsiveness, assurance, and empathy among Small Finance Banks. The analysis sought to determine if there is statistical significance in the perceived variations across these dimensions among the sampled Small Finance Banks.

- **Tangibility**

H_{02(a)}: There is no significant difference in customer expectation scores related to tangibility across Small Finance Banks.

Table 6 (a): One-Sample Statistics on Tangibility Expectation from SFBs				
	N	Mean	Std. Deviation	Std. Error Mean
EXP_TAN	398	4.1721	.56019	.02808

Table 6 (b): One-Sample Test on Tangibility Expectation from SFBs						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
EXP_TAN	41.742	397	.000	1.17211	1.1169	1.2273

Source: Author's Computation

The one-sample t-test was conducted to assess whether there is a significant difference in customer expectations related to tangibility across Small Finance Banks. The null hypothesis posited that there is no substantial difference in these expectations. The descriptive statistics, table 4.6 (a), for the variable EXP_TAN, derived from a sample size of 398, revealed a mean score of 4.1721, a standard deviation of 0.56019, and a standard error of the mean of 0.02808. The mean difference was calculated as 1.17211, and the 95% confidence interval ranged from 1.1169 to 1.2273. The positive mean difference and the confidence interval not including zero signify a substantial and statistically significant difference in customer expectations related to tangibility across Small Finance Banks. The t-statistic, as shown in table 4.6 (b), of 41.742, with 397 degrees of freedom, yielded a two-tailed p-value of .000, indicating a rejection of the null hypothesis at the 0.05 significance level.

Thus, based on the outcomes of the one-sample t-test, there is compelling evidence to reject the null hypothesis and concluded that there is no significant difference in customer expectation scores related to tangibility across Small Finance Banks.

- **Reliability**

H_{02(b)}: There is no significant difference in customer expectation scores related to reliability across Small Finance Banks.

Table 7 (a): One-Sample Statistics of Reliability Expectation from SFBs				
	N	Mean	Std. Deviation	Std. Error Mean
EXP_REL	398	4.3317	.64071	.03212

Table 7 (b): One-Sample Test of Reliability Expectation from SFBs						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
EXP_REL	41.464	397	.000	1.33166	1.2685	1.3948

Source: Author's Computation

The one-sample t-test was executed to evaluate whether there is a significant difference in customer expectations related to reliability across Small Finance Banks. Descriptive statistics, table 4.7 (a) for the variable EXP_REL illustrated a mean score of 4.3317, a standard deviation of 0.64071, and a standard error of the mean of 0.03212. The mean difference was computed as 1.33166, and the 95% confidence interval ranged from 1.2685 to 1.3948. The positive mean difference and the confidence interval indicate a substantial and statistically significant difference in customer expectations related to reliability across Small Finance Banks. The results of the one-sample t-test, table 4.7 (b), demonstrated a highly significant deviation from the hypothesized population mean. With a t-statistic of 41.464 and 397 degrees of freedom, the associated two-tailed p-value was .000, leading to the rejection of the null hypothesis at the 0.05 significance level. Hence, there is a significant difference in customer expectation scores related to reliability across Small Finance Banks.

- **Responsiveness**

H_{02(c)}: There is no significant difference in customer expectation scores related to responsiveness across Small Finance Banks.

	N	Mean	Std. Deviation	Std. Error Mean
EXP_RES	398	4.3624	.61781	.03097

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
EXP_RES	43.995	397	.000	1.36244	1.3016	1.4233

Source: Author's Computation

Descriptive statistics, table 4.8 (a), for the variable EXP_RES obtained from a sample of 398 revealed a mean score of 4.3624, a standard deviation of 0.61781, and a standard error of the mean of 0.03097. The mean difference was calculated as 1.36244, and the 95% confidence interval ranged from 1.3016 to 1.4233. The results, table 4.8 (b), of the one-sample t-test indicated t-statistic of 43.995, with 397 degrees of freedom, yielded a two-tailed p-value of .000, leading to the rejection of the null hypothesis at the 0.05 significance level. Conclusively, the results of the one-sample t-test provide strong evidence for rejecting the null hypothesis. The variable EXP_RES exhibits a substantial difference from the hypothesized population mean of 3, as evidenced by the notably significant p-value and the positive mean difference ($M = 1.36244$, $t(397) = 43.995$, $p < .001$).

- **Assurance**

H₀₂(d): There is no significant difference in customer expectation scores related to assurance across Small Finance Banks.

	N	Mean	Std. Deviation	Std. Error Mean
EXP_ASS	398	4.3964	.58322	.02923

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
EXP_ASS	47.765	397	.000	1.39636	1.3389	1.4538

Source: Author's Computation

Based on descriptive statistics, table 4.9 (a), the variable EXP_ASS exhibited a mean score of 4.3964, with a standard deviation of 0.58322 and a standard error of the mean of 0.02923. The results, table 4.9 (b), of the one-sample t-test revealed a highly significant deviation from the presumed population mean, with a t-statistic of 47.765 and 397 degrees of freedom. The associated two-tailed p-value was .000, resulting in the rejection of the null hypothesis at the 0.05 significance level. The mean difference was computed as 1.39636, with a 95% confidence interval ranging from 1.3389 to 1.4538. The positive mean difference and the confidence interval not encompassing zero indicate a substantial and statistically significant difference in customer expectations related to assurance across Small Finance Banks. In summary, the outcomes of the one-sample t-test provide compelling evidence to reject the null hypothesis, as indicated by the highly significant p-value and the positive mean difference ($M = 1.39636$, $t(397) = 47.765$, $p < .001$).

- **Empathy**

H₀₂(e): There is no significant difference in customer expectation scores related to empathy across Small Finance Banks.

	N	Mean	Std. Deviation	Std. Error Mean
EXP_EMP	398	4.4579	.57931	.02904

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
EXP_EMP	50.207	397	.000	1.45791	1.4008	1.5150

Source: Author's Computation

The one-sample t-test was utilized to assess whether a noteworthy difference exists in customer expectations related to empathy across Small Finance Banks. Descriptive statistics, table 4.10 (a), for the variable EXP_EMP revealed a mean score of 4.4579, a standard deviation of 0.57931, and a standard error of the mean of 0.02904. The mean difference was computed as 1.45791, with the 95% confidence interval spanning from 1.4008 to 1.5150. With a $t(397) = 50.207$, $p < .001$, resulting in the rejection of the null hypothesis at the 0.05 significance level as shown in table 4.10 (b).

Findings and Conclusion

The present study examined the perceived service of bank customers of small finance banks. And expect services from small finance banks through quality dimensions using the SERVQUAL model. The study result indicates the high level of service quality in all dimensions. In the perceptions parameter the tangibility result shows the significant difference in customer perceive tangibility services across small finance banks. But in case of reliability, responsiveness, assurance and empathy dimension of perception, researcher found the no significant difference in customer perceive services across the small finance banks. Therefore, the service quality dimensions of reliability, responsiveness, assurance and empathy are well design and maintained the customer best interest and as per required basis for future aspects and goodwill of the bank.

In the expectations parameter the tangibility result show the significant difference in customer expect tangibility services across small finance banks. Similarly other dimension of expectations such as reliability, responsiveness, assurance and empathy are also found the strong evidence to significant difference in customer wants to expect services across the small finance banks. Hence, the all-service quality dimensions related to customers' expectations need to improve and design as per the requirement of customers. The small finance banks shall be best utilised their resources, utilities, product, process and customer feedback outlook for the betterment of their banking business in future aspects. The findings of this study will be useful to service providers (SFBs) for making more competitive advantages in banking business. The banks able to understanding of service quality perceptions of their customers and leads and improve the level of customers satisfactions with respect to tangibility, reliability, responsiveness, assurance, and empathy aspects.

Limitation of the Study

- This research study based on SERVQUAL Model.
- As the research was conducted only in Small Finance Banks of Sikar District Rajasthan, other researcher will be study in other area of Rajasthan or other states of India.

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