Abstract—Satisfaction of bank customers is currently at the center of attention of researchers and bankers. It is mainly considered that satisfaction positively affects loyalty of clients and their buying habits. The aim of the article was to quantify and compare the overall level of satisfaction of the Czech banking customers, the most important factors of satisfaction of these customers and number of used banking products in 2014 compared to 2012. Research on the satisfaction of retail customers in the Czech Republic was conducted through a questionnaire survey. Our research confirmed that the Czech Republic remains on a relatively low position with satisfying its bank customers with services provided. The main reason for satisfaction was the ability to use electronic banking. Number of banking products used by the Czech banking clients did not change significantly. It was found that clients in the Czech banking sector suffer from insufficient supply of attractive banking products and relatively low level of interest of bank employees to solve their financial problems.

Keywords—commercial bank, bank customer’s satisfaction, satisfaction factors, Cross-selling index

I. INTRODUCTION

The bank customers satisfaction is currently in the center of attention of researchers and bankers, as it represents an important marketing variable for most of the companies, especially those working in more competitive markets (Munari, Ielasi, Bajetta, 2013; De Matos, Henrique, and De Rosa, 2013). The satisfaction has a positive influence on customer loyalty (Baumann, Elliott, and Burton, 2012; Mandahachitara and Poothag, 2011; Fraering, and Minor, 2013; Seiler, Rudolf, and Krume, 2013).

Customer satisfaction is an important factor in the performance and competitiveness of banks. (Adolpson, Eklöf, Parmler, 2013; Choudhury, 2013; Keisidou, Sarigiannidis, Madittinos, and Thalassinos, 2013). The high quality of banking services determines further additional purchases of client as well as his loyalty, which means that a satisfied customer provides information about his satisfaction and future bank clients from his own environment: family, friends and colleagues. (De Matos, Henrique, and De Rosa, 2013; Choudhury, 2013).

Banking experience proves that achieving a reasonable rate of customer satisfaction represents a challenge for the bank and it is a permanent process with varied results. Bank customers in many countries show a considerable degree of dissatisfaction and many banks admit that it’s necessary to increase the level of customer care.

In this article satisfaction of the Czech bank customers with the services of commercial banks, and its significant attributes were examined, as well as the most important factors of satisfaction, and use of banking products and banks in 2014 compared to 2012.

II. FACTORS DETERMINING SATISFACTION OF BANK CUSTOMER

The achievement of a high degree of banking customer satisfaction represents an important field for banking management.

Customer satisfaction is a complex of various aspects, which operate in a coherent manner and form attitudes of customers to the bank. In the process of forming of customer satisfaction are acting the economic factors, emotional attitudes and habits of consumers. Service quality as perceived by the customers could be defined as the extent of discrepancy between customers’ expectations and their perceptions.

Satisfaction can be considered in at least two levels: transaction-specific satisfaction and cumulative satisfaction. The satisfaction of bank customers is also determined by their gender (De Matos, Henrique, and De Rosa, 2013; Karapeti, 2011) and age (Baumann, Elliott and Burton, 2012; Tesfom, and Birch, 2011; Fraering and Minor, 2013), which complicates the process of customer relationship management.

A. The quality of banking services and customer satisfaction

According to Chavan and Ahmad (2013) bank business depends very much on the quality of the customer service provided and overall satisfaction of the customer.

Dimensions of service quality are employee behavior, tangibility and information technology. Dimensions of service
convenience are decision convenience, access convenience, transaction convenience, benefit convenience and post-benefit convenience (Kaura, 2013).

The definition of the basic features of independent components of customer satisfaction with the internet banking is (Nochai, and Nochai, 2013): reliability, transaction efficiency, customer support, protection of services, ease of use, performance and content of services.

Mandahachitara and Poolthang (2011) indicate that in terms of the perception of service quality, the most important role belongs to a quality staff and reliability of services. Additional important factors are convenience and service availability. An important role in relationship between a customer and a bank play trust and reliability.

Chavan and Ahmad (2013) have defined eight most important attributes of satisfaction: Paying individual attention to each client, personnel behavior inducing customer trust, attractive bank equipment, zero fees for issuing checks, zero error records, the possibility of online banking, security of transactions, helpful staff and its readiness to answer to customer requirements regardless of occupancy.

Choudhury (2013) indicates that customers distinguish four dimensions of service quality behavior, reliability, tangibles and convenience.

Maddern, Maull, and Smart (2007) state, that the key elements in building customer satisfaction are employee satisfaction and service quality. In this context Gounaris and Boukis (2014) indicate, that the employee job satisfaction influences a customer’s perception of quality and customer satisfaction. Customers in business relationships require a high degree of acceptance of their own needs from staff and accurate service delivery (Lages and Piercy, 2012).

B. Satisfaction, Customer Loyalty, Impact on the financial performance of the bank

Many authors agree that customer satisfaction has a strong positive impact on customer loyalty (for example, Seiler, Rudolf, and Krume, 2013) and mediates the impact of service quality on loyalty (Karapete, 2011). Understanding of customer loyalty requires understanding of customer satisfaction first (Fraering, and Minor, 2013).

According to Mandahachitara and Poolthang (2011) customer’s loyalty is very important, because getting new customers also brings additional costs (a similar opinion is also shared by Titko, and Lace, 2010) and vice versa with the duration of customer relationship profitability of this relationship grows as well. Effective tool for building true loyalty can be e.g. friendly approach to clients, availability of banking products and services, intensive communication and activities in the field of corporate social responsibility.

Scientific studies that examine the direct impact of customer satisfaction and customer loyalty to shopping habits, respectively, the financial performance of banks are not too numerous. It could be agreed with Choudhury (2013), which states, that the explicit connections between the service quality dimensions and customers’ purchase intentions have not been addressed in the services marketing literature so far and a significant gap thus exists. However, there are authors exist who deal with this topic.

According Terpstra, Kuijlen, and Sijtsma (2012) customer satisfaction has a positive effect on future customer revenues when current customer revenues are accounted for. The result supports the theoretical expectation that customer satisfaction influences customer revenues, and as such it also provides an explanation for the relation between average customer satisfaction and financial performance. Loyalty has a significant impact on the financial performance of banks (Keisidou, Sarigiannidis, Maditinos, and Thalassinos, 2013).

Adolpson, Eklöf, and Parmler (2013) indicate in their study that in customer satisfaction changes by one unit causes a change in the average market capitalization of SEK 6.5 billion (the equivalent of 800 million, about 6%) within one year. Improving the financial performance of banks may succeed after approximately one year after the customer satisfaction index increase. It is obvious why customer satisfaction must be strictly a part of a medium- and a long-term strategy of the company.

According to Choudhury (2013) service quality factor reliability is the most important factor for influencing customers’ purchase intentions.

In this context, the appropriate examination of the overall satisfaction of bank customers in the context of shopping habits and analyzing the factors that create a feeling of satisfaction among bank customers may be considered.

III. OBJECTIVES, METHODOLOGY AND DATA

The aim of this article was to quantify and compare the overall level of satisfaction of the Czech banking customers, the most important factors of satisfaction of these customers and number of used banking products and banks in 2014 compared to 2012.

Research on the satisfaction of retail customers in the Czech Republic was conducted through a questionnaire survey in 2012 and then in 2014.

In our research, five scientific hypotheses were set. When establishing quantitative criteria estimation techniques were used.

H 1. The overall level of satisfaction of bank customers in the Czech Republic in 2014 compared to 2012 has not changed and was less than 65%.
H 2. The intensity of offers of interesting banking services in 2014 compared to 2012 has not changed. Intensity of too frequent offer of attractive banking products was lower than 30%.
H 3. The rate of concern for bank employees to solve the financial problems of banking clients in 2014 compared to 2012 has not changed. Degree of intensive interest to solve clients’ issues is less than 10%.
H 4. Czech clients are the mostly satisfied with the availability of banking products and services through electronic banking. More than 60% of Czech clients are satisfied with this factor.
H 5. The average value of CSI has increased by at least 10% in the last two years. The structure of the used products from 2012 to 2014 remained unchanged.
The structure of the products used since 2012 to 2014 has not changed.

Within the questionnaire survey in 2012, in the Czech Republic a total of 323 respondents was approached, of which 37% were men and 63% were women. Age structure of respondents was as follows: 32% were aged less than 30 years, 50% of them were 30-50 years old and 18% were over 50. The education level of respondents was as follows: 1% had primary education only, 62% had secondary education and 37% were university educated bank customers.

In 2014, there were received responses from 459 respondents, of which 44% were men and 56% were women. The age structure of those respondents was as follows: 39% of respondents were aged under 30 years, 44% were aged from 31 to 50 years and 17% of them were customers over 50. The education level of respondents was as follows: 3% had primary education, 54% had secondary education and 43% were university educated bank customers.

Established scientific assumptions in each table were examined through Pearson statistics. P-value less than 5% leads to the rejection of the null hypothesis. Part of the quantitative analysis is the use of indicators and descriptive statistics such as weighted arithmetical average and the percentage figures.

IV. RESULTS AND DISCUSSION

Table I presented the results of overall satisfaction of the Czech bank customers in 2014 compared to 2012.

Table I Overall satisfaction of bank customers in the Czech Republic (CR)

<table>
<thead>
<tr>
<th>Are you satisfied with bank products and services provided to you?</th>
<th>CR in 2012 in %</th>
<th>CR in 2014 in %</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Yes</td>
<td>62.23</td>
<td>66.23</td>
<td>0.2819</td>
</tr>
<tr>
<td>2. No</td>
<td>26.32</td>
<td>16.34</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>3. I don’t know</td>
<td>11.45</td>
<td>17.43</td>
<td>0.0275</td>
</tr>
</tbody>
</table>

\[\chi^2=14.2141\]

p-value<0.01

The results of our research confirm the change in the pattern of responses. Significant change in opinion reported in the replies “No” and “I don’t know”. A large number of respondents who were dissatisfied before are now the undecided. There is no evidence that the situation with satisfied customers has changed and thus it could be assumed that it remained the same (p-value=0.2819). Our data do not provide evidence for the claim that the true proportion of satisfied clients in 2014 is lower than 65% (p-value=0.693). H1 was partially confirmed.

According to the results of our research, the overall satisfaction rate of the Czech customers is at the European average level. These results are comparable with some of the published results of the satisfaction of bank customers (napr. Deloitte, 2012; Belás, Burianová, Cipovová, and Červenka, 2013).

Overall satisfaction of bank customers is significantly determined by the bank employees approach to financial needs of clients. In this context, there was examined the activity of bank employees when offering additional bank products (Table II) and the perceived interest of bank employees in solving the financial problems of bank customers (Table III).

Table II Offer of interesting products from bank employees

<table>
<thead>
<tr>
<th>How often do you face a situation when the bank employee offers you an interesting product?</th>
<th>CR in 2012 in %</th>
<th>CR in 2014 in %</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Often</td>
<td>22.91</td>
<td>29.84</td>
<td>0.0384</td>
</tr>
<tr>
<td>2. Rarely</td>
<td>60.99</td>
<td>32.03</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>3. Never</td>
<td>16.10</td>
<td>38.13</td>
<td>&lt;0.01</td>
</tr>
</tbody>
</table>

\[\chi^2=71.2200\]

p-value<0.01

In comparison to 2012, in the year 2014, the opinions of customers about offering interesting products from bank staff have changed. The numbers of clients who have said that bank employees often offer them attractive banking products has increased significantly. The number of clients who reported that they seldom receive interesting bank products has decreased significantly and the number of clients who reported that they were never offered any interesting products by their bank has increased substantially. However, the actual intensity of frequent offers in 2014 was not less than 30% (p-value=0.4919). H2 was partially confirmed.

Table III Bank employees interest in solving the financial problems of the client

<table>
<thead>
<tr>
<th>Do you have a feeling that the bank is interested in solving your financial problems, or just want to sell something to you?</th>
<th>CR in 2012 in %</th>
<th>CR in 2014 in %</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bank is very interested</td>
<td>4.64</td>
<td>4.58</td>
<td>1.0000</td>
</tr>
<tr>
<td>2. Bank is sometimes interested</td>
<td>23.84</td>
<td>39.87</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>3. Bank is not interested at all</td>
<td>11.15</td>
<td>3.92</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>4. Bank just wants to sell product and earn more money</td>
<td>43.03</td>
<td>20.70</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>5. Cannot judge</td>
<td>17.34</td>
<td>30.93</td>
<td>&lt;0.01</td>
</tr>
</tbody>
</table>

\[\chi^2=74.4420\]

p-value<0.01

The values of the test criteria demonstrated a substantial change in the structure of responses of the Czech bank clients. Although the share of respondents who are unable to assess the situation has increased, the table makes it clear that the
situation is progressing positively. There is obviously noted an increase of those clients who feel that the bank is interested in them sometimes, while the proportion of customers who believe that the bank tries only to sell a product or even that it does not care about the customer at all, decreases. The real proportion of clients who believe that their bank is very interested in them is actually lower than 10% (p-value <0.01). Our research has partially confirmed the validity of the H3.

In Table IV are compared the reasons for satisfaction of the Czech banking customers in 2014 compared to 2012.

Table IV Reasons for customer satisfaction in the banking sector of the Czech Republic

<table>
<thead>
<tr>
<th>What satisfies you the most in the bank? (you can provide up to 3 answers)</th>
<th>CR 2012 in %</th>
<th>CR 2014 in %</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. quick service in the branch</td>
<td>13.93</td>
<td>11.55</td>
<td>0.3770</td>
</tr>
<tr>
<td>2. the possibility of using electronic banking</td>
<td>74.61</td>
<td>78.88</td>
<td>0.1900</td>
</tr>
<tr>
<td>3. quality products and services</td>
<td>17.65</td>
<td>17.21</td>
<td>0.9500</td>
</tr>
<tr>
<td>4. convenient and friendly service in a branch</td>
<td>17.09</td>
<td>21.13</td>
<td>0.1814</td>
</tr>
<tr>
<td>5. availability of the branch</td>
<td>49.54</td>
<td>50.76</td>
<td>0.7910</td>
</tr>
<tr>
<td>6. developed network of ATMs</td>
<td>40.25</td>
<td>42.05</td>
<td>0.6670</td>
</tr>
<tr>
<td>7. other (account for free, personal Consultant)</td>
<td>0.00</td>
<td>5.44</td>
<td>-</td>
</tr>
</tbody>
</table>

In any of the monitored level of responses there were not identified any significant changes in time. It is still true that more than 60% of clients are satisfied with their electronic banking (p-value=0.01). The results of the research have confirmed the validity of H4.

Our results are comparable to other published results. According to research conducted by Ernst & Young (2012) 78% of banks’ clients in the Czech Republic control their bank accounts by using the internet. For comparing it could be stated, that in Slovakia this option was mentioned by 67% of respondents back in 2012. (Belás, Burianová, Cipovová, and Červenka, 2013)

According to Liébana-Cabanillas, Munoz-Leiva and Rejón-Guardia (2013) user satisfaction levels with online banking have increased in recent years, reaching more than 80%. Authors also indicate, that online banking also was favored over other channels that customer have at their disposal (55% selected the online channel as one that satisfied them the most, while 28% chose branches, 13% chose ATMs, and only 2% chose call center and mobile banking as the channel that satisfied them most).

In Table V indicated the number of used banking products in the Czech Republic in 2012 and 2014.

Table V Number of banking products being used

<table>
<thead>
<tr>
<th>How many</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
</table>

banking products (current account, consumer credit, mortgage etc.) you are currently using?

<table>
<thead>
<tr>
<th></th>
<th>product</th>
<th>products</th>
<th>products</th>
<th>products and more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of respondents in 2012 in %</td>
<td>26.00</td>
<td>35.91</td>
<td>23.22</td>
<td>14.86</td>
</tr>
<tr>
<td>Number of respondents in 2014 in %</td>
<td>27.67</td>
<td>39.21</td>
<td>18.15</td>
<td>14.59</td>
</tr>
<tr>
<td>p-value</td>
<td>0.6600</td>
<td>0.3883</td>
<td>0.1299</td>
<td>1.0000</td>
</tr>
</tbody>
</table>

Note: * CSI (Cross Selling Index – number of products/1 bank client)

Data structure in Table V does not provide evidence that would change the number of products used for the past two years. It also has not confirmed our hypothesis that the average value of CSI has increased by at least 10% in the last two years.

The average value of CSI as per our data is relatively low, indicating that banks in the Czech Republic have quite interesting sales opportunities. The surprising finding was that the CSI for the past period has slightly decreased.

V. CONCLUSION

Satisfaction and loyalty of bank customers represent a significant determinant of future growth of commercial banks’ financial performance. In this context it is important that the bank managers devote full attention to creation of those aspects that enhance customer satisfaction and bank customer loyalty.

There exist many options and approaches to boost customer satisfaction and customer loyalty to the bank. Our research has shown that it is important to pay attention to personal communication with clients, to take care about his comfort while implementing banking services and to protect customer’s financial interests. It was found that clients in the Czech banking sector suffer from insufficient supply of banking products and relatively low rate of concern of bank employees to solve their financial problems.

Our research, like other researches on this topic, has been somewhat limited by the number of respondents. Nevertheless, it’s expected that it may be beneficial for bank managers’ inspiration to improve attributes of satisfaction and loyalty of bank employees.

Our future research will focus on the quantification of the effects of satisfaction growth and bank clients’ loyalty to increase the financial performance of commercial banks through growth in sales of banking products to satisfied customers.
REFERENCES


