

UNIVERSITI TEKNOLOGI MARA

**DETERMINANTS OF FEMALE CUSTOMERS'
SATISFACTION IN SAUDI ARABIAN
RETAIL BANKS**

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ABSTRACT

In the past decades, the factors and conditions necessary to carry out a successful business have been changing. To a greater extent, the financial markets for both domestic and global economies are recorded to have undergone tremendous transformation including both the products offered and the ways of providing services. Value-added services, the entire business change of financial market is evolving. In line with such changes, there are a number of critical issues for success in business. These issues are eminent in enhancing and transforming an organisation from ordinary towards unique business. Customer satisfaction, gender differentiation, and service quality are the top three key issues specifically in retail banking sector. However, the main challenge facing retail banks is how to satisfy their clients and manage the level of their quality with the concern of the gender differentiation.

This research attempts to find appropriate determinants to describe and measure the satisfaction level of female customers in the retail banks sector of the Saudi Arabian market. The dimensions under the Hierarchical Service Quality Model (HSQM) and service features are identified and used to determine their relationship with customer satisfaction, and the extent to which they will affect the level of customer satisfaction.

A questionnaire with 44 items was distributed to female customers of retail bank to evaluate their perception and to measure their satisfaction toward the financial services provided by Al-Rajhi Bank in Saudi Arabia. A seven-point Likert scale was used to evaluate the level of their perceptions. Multiple regression analysis, reliability tests and validity analysis were conducted to examine the research hypotheses.

The findings of this research show that there is a significant relationship between variables and customer satisfaction. On the other hand, the finding of this research did not show any significant relationship between demographic variables and customer satisfaction. The study also revealed that the outcome quality is the most important variable affecting customer satisfaction. The findings of this study are considered useful and practical for decision makers in the banking industry and for researchers and academicians as well.

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As quoted by Prophet Mohammed “He who does not thank people does not thank Allah.”[Abu Dawud]

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CHAPTER 1

INTRODUCTION

1.0 Background of the Study

Over the years, there have been a number of remarkable changes in many business trends. One of such trends is the increasing involvement of the female participation in most business issues (Bajtelmit & Bernasek, 1996; Burton, 1995; Culpan, Marzotto, & Demir, 2007; Power, 2008). This feature is even more obvious in the financial and banking service sector where customer satisfaction depends on meeting each individual customer's needs, regardless of gender. As a consequence, the perception that the financial and banking sector is a world for men is gradually evolving with the incorporation of great female participation (Palmer & Bejou, 1995; Power, 2008; Shuaiby, 2009).

Because the Arab world does not wish to lag behind, there has been a planned and conscious effort to increase female involvement in most businesses. According to recent research on Middle East countries, more than 40 percent of the high net worth assets in the Gulf Cooperation Council (GCC) contributed by the Kingdom of Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates, and the Sultanate of Oman were under the control of female (Shafa, 2007).