

UNIVERSITI TEKNOLOGI MARA

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

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Thesis submitted in fulfilment of the requirement
for the degree of
Master of Science Management (MSc) Programme

Faculty of Business Management, Marketing

June 2011

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.

ACKNOWLEDGMENTS

In the name of Allah, the Most Gracious and the Most Merciful

Alhamdulillah; “all praise from Allah alone”. Thanks for Allah the Almighty for the strengths and the guidance give to me to complete this research. All the gratitude is to Allah; who gives me the opportunity to improve and increase my knowledge. Thanks to Allah who enabled me to achieve the main objective of the research as we learn from the holly Qur’an “Recite and your Lord is the most Generous -Who taught by the pen -Taught man that which he knew not.” Surat Al-’Alaq. May Allah give me the strength to learn more and contribute what I have learnt to the whole world, as expected of a good Muslim.

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

Firstly; I would like to send my appreciation to King’s Humanitarian the Custodian of the Two Holy Mosques, King Abdullah Bin Abdul-Aziz Al Saud, for his kindness and generosity shown through the scholarship support offered to me which greatly contributed to the success of this research. I promise to apply all the required new knowledge in way to improve the economy in my country.

To my supervisor, Professor Dr. Maznah Gazali, I wish to thank you for your advice, your time, and guidance through this regard.

In this especial event, I would like to express my warmest and deepest feeling of gratified to my leader, teacher, and husband Dr. Mazen Hassan. This research is the beautiful results for all your encouragements, you gave the times in my weakness, your recommendation and comments in my lost moments, and your worm hand in my tears moments. Thank you for your love, words, and your patience in creating the most conducive environment and sweet moments during the three years of this research. In spite of all your busy time with your theses, you try your best to guide me through my work. Your knowledge and numerous mind-stimulation questions were always my source of inspiration to cover all relevant areas of my research. Thank you for the priceless and uncountable times you took responsibilities of my motherly roles and chores in the home, while I studied for my research. You scarified a lot for me you, are the best in the world.

To my most loved little princesses: Rawn, Renad, Rneem, and Nadiyah, no amount of words can express my gratitude to you throughout my research. Although you are still young, but you all approved day by day through your behaviour that you were matured and so enthusiastic in the success of this research. You helped me a lot you tried to understand and support me all the way without any complains; you believed in me and usually told me “*you can do it mama*”. These words helped me to continue this journey. I took you far from our home and you understood my dreams and helped me to reach it by the light in your eyes. I love you so much.

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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).