

**THE CONTRIBUTION OF QUALITY
TO THE CUSTOMER SATISFACTION AND
THE PROFITABILITY OF A CONSUMER
BANK IN BAHRAIN.....(CASE STUDY)**

Submitted by
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ABSTRACT

This study attempts to highlight the perceived impact of the Quality in the Service and the Processes in a Consumer Bank on the Customer Satisfaction and Loyalty and consequently its contribution to the Profitability of the Bank.

To identify the frameworks, values and concepts of the quality model, a case study approach was used. The criteria that builds the values and the concepts are:

- Customer Driven Quality*
- Leadership*
- Continous Improvement and Learning*
- Employee participation and development*
- Strategic planning*
- Information and Analysis*

Analysing the annual customer satisfaction surveys for 1996 and 1997 that were conducted by the selected Bank in the case study, the conclusion arrived at is that quality have to be an explicit element of the organization's strategic planning process to ensure the acheivement of the goal of high profitability.



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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND:

Companies competing on a global basis increasingly need to decide whether competitive success requires them to emphasize product features or service. An increased emphasis on either of these components requires the development of unique skills and capabilities. While neither the product nor services can be neglected, setting resource allocation priorities often necessitates some trade-offs. To ensure the maximum impact of potential investments, a strategic direction needs to be set.

The purpose of this study is to develop a criteria to help a firm determine the strategic direction it should pursue. A strategic direction is defined as the company's overriding focus for improvements relating to its product/service offering(s). For example, a company may choose a service-oriented strategic direction. This implies that, in the medium term, the majority of offering improvements will be related to service. The development of a technical service department, an improvement in the parts delivery system and/or an increase in the number of dealerships may all be part of this "service" emphasis. The need for a strategic direction stems from the need for companies to continuously improve their offerings in order to remain competitive. At the same time, limited resources within companies, including management time, require the selection of a restricted number of improvement initiatives.

Determining the optimal strategic direction for a company is difficult. Pragmatically, the goal is to choose the strategic direction (either product or service) which will lead to the maximum return on investment. However, assessing the impact of a particular strategic direction is complicated by the fact that cost and technological requirements often demand global sourcing while customer needs and competitive intensity vary on a regional market basis. These features lead to a differential impact of changes in the company's product-service offering. Often, product improvements affect all markets while service improvements only affect the markets in which they are implemented. Therefore, to enable the appropriate comparisons, the local effects of proposed improvements must be aggregated on a global basis. It is at this global or company-wide level that the strategic direction decision is made.

In this study, I have concentrated on the effect of Quality on the Consumer Banking Sector and it contributes to the profitability of the Bank.

1.2 MEHODOLOGY:

To achieve the purpose of this study on in finding out how quality contributes to the Consumer Banking efficiency and profitability, a case study approach is the most appropriate strategy to be used.

Citibank Bahrain have been selected in this study.

1.2.1 DATA SOURCE:

Various data sources have been examined and used to complete this study. Data sources are classified as primary and secondary data.

1.2.1.1 PRIMARY DATA:

This is obtained using a structured close-ended questionnaire that was developed by an International agency appointed by Citibank to conduct survey on the customers' perception on the quality of products, services and channels of accesses that the Citibank Bahrain offers to its customers. The results of this survey is being used and analyzed.

1.2.1.2 SECONDARY DATA:

To review the related literature and to ensure that the important facts are taken into account, these sources are used:

- . Financial and Business periodicals,*
- .Citibank's annual report for 1996 & 1997,*
- .Related Books.*

1.3. RESEARCH LIMITATIONS:

Since the case study approach is used in this study, the following are the main limitations:

- 1. One Bank;i.e., Citibank Bahrain, is used, and*

CHAPTER TWO

LITERATURE REVIEW

The criteria is concerned with the development of improvement strategies which take global-local and product-service trade-offs into account. A brief review of the literature in these areas will be undertaken.

PRODUCT AND SERVICE ORGANIZATIONS

There has been relatively little research concerned with combined product and service organizations. This may be due to the fact that services marketing researchers have tended to concentrate on consumer rather than industrial markets. In consumer markets, where the distribution channels tend to be long, the product manufacturer has limited control over the services provided to the end user. In addition, there are a significant number of organizations which offer only services. In industrial markets, where distribution channels tend to be shorter, the manufacturer of the product may also be responsible for offering many of the associated services. The importance of both the product and service components has been recognized by many in industry (Mark Vandebosch 1994).

Chase and Garvin (1989) introduced the service factory concept which portrays the manufacturing facility as a center for the development of services which aid in the

marketing of the company's products. These services include using factory personnel as a resource in aiding customers with installation, maintenance and troubleshooting. Like Chase and Garvin, Quinn, Doorley, and Paquette (1990) also comment on the importance of services in traditional manufacturing organizations. These researchers state that 65% to 75% of employees in manufacturing industries "perform service task ranging from critical production-related activities such as research, logistics, maintenance, and product and process design to indirect staff services like accounting, law, financing and personnel.

QUALITY LEADERSHIP

In the highly complex international economy we live in, it takes years for major trends to assert themselves-total quality became an 'overnight' success after many years of being ready for it. Because of this delayed learning factor in large complex systems, it is not so paradoxical that it is often more productive to project the long term future of management and quality for the economy. The strategy and its execution are straightforward:

. Companies that satisfy the quality requirements of their customers better than competitors will have far better sales growth and profitability.

. Quality and cost are a sum not a difference - partners not adversaries - and companies that improve their quality significantly will also reduce their costs significantly.

. Companies must achieve complete customer satisfaction in their key markets-not that customers are just satisfied but they're enthusiastic about what you're doing.

This means companies must produce or deliver products and services which are:

. Affordable, for today's increasingly economically constrained consumer and business buyer...

. Essentially perfect for him and her...

. Determined by this user....

. Result in the financial health.

One of the single largest company costs is delivering customer satisfaction. Reducing the costs of failure in doing this provide companies both funding to support quality value enhancement as well as major additions to net operating income itself. Quality leadership and its execution characterizes organizations whose competitive strength is now being built to directly respond to the marketplace, cost and human leadership changes that are included here. We are coming to think of this organization as the Quality Leadership Company which:

.Sees its basic objective as the continuous acceleration of value for customer, for investors, and for employees by delivering consistently improving business results no matter what the business conditions are-good times or bad.

.Emphasizes that market driven means that its quality is what its customer-not what the company-says it is.

.Leads with a fundamentally new competitive combination of passion, of discipline and of populism reflected in a bias for improvement action and an emphasis on widespread communication.

.Recognize that its sustained growth demands the combination of constantly increasing customer satisfaction, operating cost leadership in its industry and markets, human resource effectiveness throughout the organization, and close integration with its supplier base-all four, all time.

.Bring back the enthusiasm to work in the organization by the deep commitment to fundamental business improvement that comes from the knowledge, skills and attitudes about solving problems democratically, about the value of teamwork.

.Implement these results relentlessly by strengthening the processes, tools, resources and strategies that help every man and woman in the company think and act and decide on how he or she both individually and as part of a team can help to provide complete customer satisfaction.

It is only this type of relentless implementation and support of quality leadership that will enable all of the firm's employees to meet today's accelerating values and how to accomplish this in ways that help their companies successfully face the huge new competitive cost pressures that exist at all levels of business today.

In the first article reviewed here, the authors advocate an increased emphasis on the service component of the customer offering. However, these papers are primarily descriptive in nature. These did not provide an analysis of the relative importance of product and service components of the customer offerings or a discussion of the financial and organizational trade-offs that must be made in developing the product and service strategies. The criteria presented here assumes the existence of these trade-offs in the characterization of the strategic direction and suggests an increased emphasis on services only when a significant increase in return can be expected. The Banking Sector is tested and analyzed as a Financial Institution (Field Work).

Quality Management has developed in recent years into an integrated management approach. It went from quality control through inspection, process control and ISO certification to organisational improvement using total quality management principles. Deming's teachings were based on very prescriptive principles, using statistical methods and techniques. Today's principles have expanded this basis and now

emphasise top management commitment, involvement of everybody in the organisation and working in independent teams to reach the ultimate goal of quality management: continuous improvement for the whole organisation.

The Japanese mass producing companies were the ones who put quality in a strategic perspective and applied it successfully. It gave these companies a competitive advantage and allowed them to compete on a global basis emphasising quality. The purpose of quality management is to reach the highest possible efficiency level in an organisation.

We may have to learn to look at the quality management concept with an “outside in view”, instead of the common “inside out”: get a perspective of the organisation in relationship with the environment, and especially with the competitors and the customers. Finding enough strategic cohesion between these two different angles is extremely difficult: matching “clear direction” with “clear measures” is one of the basic issues of benchmarking in organisations.

Strategy deals with effectiveness, aiming for lasting competitive advantages. It is “doing the right things”. Quality’s focus always was much more on efficiency, on “doing the things right”.

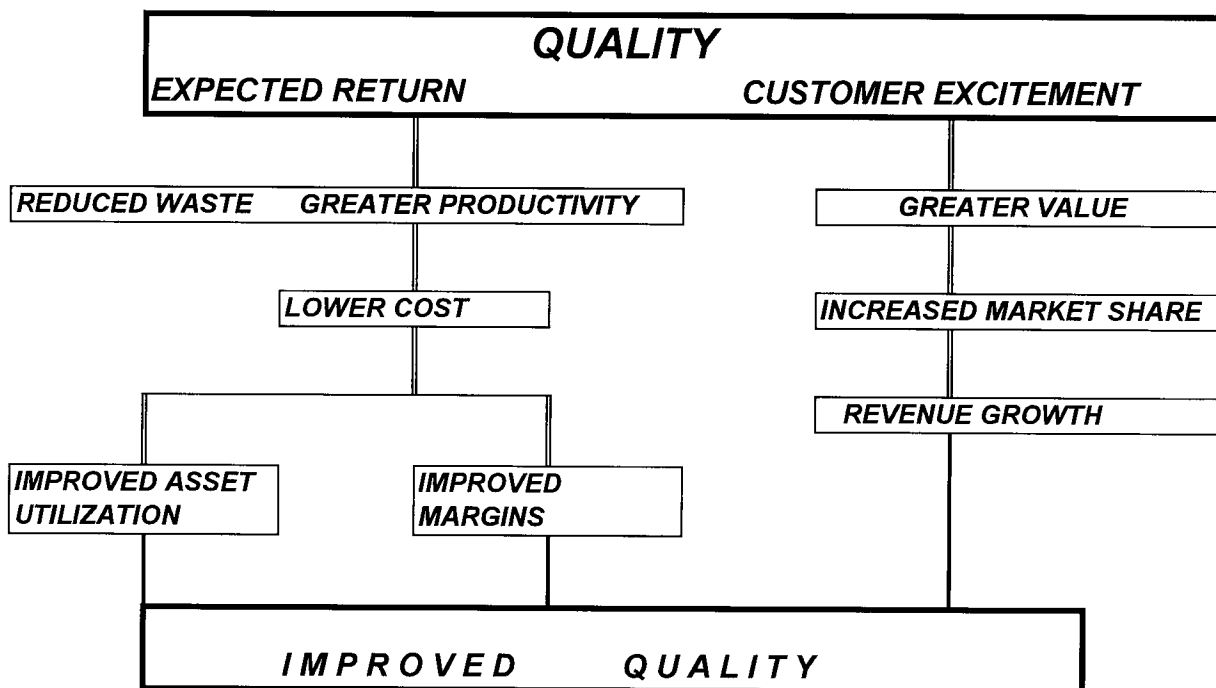
Modern quality management combines these two angles so that the strategic choices of top management in long term decisions are properly balanced and supported by quality management principles in the implementation of the chosen strategy. Thus management is able to make better choices because the organisational processes are better controlled.(Geert De Raad,1992)

CHAPTER THREE

FRAMEWORKS, VALUES AND CONCEPTS OF THE QUALITY MODEL

This chapter demonstrates how Quality is related to the financial aspects of the Business. The goal of the Model criteria is Customer Satisfaction with the Understanding that Profit Improve as Quality Improves. Then it highlights the relationship of the criteria to the Business Goals.

Figure#1 Effect of Quality on the Expected Return and the Customer Satisfaction



Source: Citibank's Global Conference, New York, 1996

Figure #2: The Framework Dynamic Relationships

<i>I- Process Management</i>	<i>Goal</i>
<i>Customer</i>	<i>.Customer Satisfaction</i>
<i>Focus and</i>	<i>.Customer Satisfaction</i>
<i>Satisfaction</i>	<i>Relative to Competitors</i>
	<i>.Customer Retention</i>
	<i>.Market Share Gain</i>
<i>II- Leadership</i>	<i>Goal</i>
<i>Human Resource</i>	<i>To measure the progress</i>
<i>Development</i>	<i>of the Business through</i>
<i>and</i>	<i>Prodcuts and Services</i>
<i>Management</i>	
<i>III- Strategic Planning</i>	<i>Goal</i>
	<i>.Productivity Improvement</i>
	<i>.Waste Reduction\Elimiation</i>
	<i>.Supplier Performance</i>
<i>IV- Information and Analysis</i>	<i>Goal</i>
	<i>.Financial Results</i>

Source: Citibank Global Conference, New York, 1996

The criteria are designed to help companies enhance their competitiveness through focus on dual , results-oriented goals:

- .delivery of ever-improving value to customers, resulting in marketplace success; and*
- .improvement of overall company performance and capabilities.*

The criteria are built upon a set of core values and concepts. These values and concepts are the foundation for integrating customer and company performance requirements within a results-oriented framework. These core values and concepts are:

I-CUSTOMER-DRIVEN QUALITY

Quality is judged by customers. All product and service features and characteristics — that contribute value to customers and lead to customer satisfaction and preference must be a key focus of a company's management system. Value, satisfaction, and preference may be influenced by many factors throughout the customer's overall purchase, ownership, and service experiences. These factors include the company's relationship with customers that helps build trust, confidence, and loyalty. This concept of quality includes not only the product and service characteristics that meet basic customer requirements, but it also includes those features and characteristics that enhance them and differentiate them from competing offerings. Such

enhancement and differentiation may be based upon new offerings, combinations of product and service offerings, rapid response, or special relationships.

Customer-driven quality is thus a strategic concept. It is directed toward customer retention, market share gain, and growth. It demands constant sensitivity to emerging customer and market requirements, and measurement of the factors that drive customer satisfaction and retention.

It also demands awareness of developments in technology and of competitors' offerings, and rapid and flexible response to customer and market requirements.

Success requires more than defect and error reduction, merely meeting specifications, and reducing complaints. Nevertheless, defect and error reduction and elimination of causes of dissatisfaction contribute significantly to the customers' view of quality and are thus also important parts of customer-driven quality. In addition, the company's success in recovering from defects and errors is crucial to building customer relationships and to customer retention.

Items that are needed to consider under this category are:

1. Customer and Market Knowledge:

This examines how the company determines emerging customer requirements and expectations. In a rapidly changing competitive environment, many factors may affect

customer preference and customer loyalty, making it necessary to listen and learn on a continuous basis. To be effective, such listening and learning need to have a close connection with the company's overall business strategy. For example, if the company customizes its products and services, the listening and learning strategy needs to be backed by a capable information system-one that rapidly accumulates information about customers and makes this information available where needed throughout the company or the overall value chain.

A wide variety of listening and learning strategies should be used. Selection depends upon the type and size of business and other factors.

Examples of approaches that might be part of listening and learning strategies are:

- . relationship building, including close integration with customers;*
- . rapid innovation and field trials of products and services to better link research and development (R&D) and design to the market;*
- . close tracking of technological, competitive, societal, environmental, economic, and demographic factors that may bear upon customer requirements, expectations, preferences, or alternatives;*
- . focus group with demanding or leading-edge customers;*

- . training of frontline employees in customer listening;*
- . use of critical incidents such as complaints to understand key service attributes from the point of view of customers and frontline employee;*
- . interviewing lost customers to determine the factors they use in their purchase decisions;*
- . won/lost analysis relative to competitors;*
- . post-transaction follow-up; and*
- . analysis of major factors affecting key customers.*

Other information sought in this item includes how companies recognize segments, customers of competitors, and other potential customers. Accordingly, the item addresses how the company tailors its listening and learning to different groups and segments. For example, a relationship strategy might be possible with some groups, but not with others. Other information sought relates to sensitivity to specific product and service requirements and their relative importance or value to customer groups. This determination should be supported by use of data and information, such as complaints and gains and losses of customers, from current customers and markets.

2. Customer Satisfaction and Relationship Enhancement:

This item addresses how the company effectively manages its responses to and follow-up with customers. Relationship enhancement proveds a potentially important means for companies to understand and manage customer expectations. Also, frontline employees may provide vital information to build partnerships and other longer-term relationship with customers.

It also addresses how the company determines customer satisfaction and satisfaction relative to competitors. Satisfaction relative to competitors and the factors that lead to preference are of critical importance to managing in a competitive environment.

Overall this item emphasizes the importance of getting actionable information such as complaints and feedback from customer contacts. To be actionable, the information gathered should meet two conditions:

a - responses are tied directly to key business processes, so that what needs to be improved is clear; and

b - responses are translated into cost/revenue implications to support the setting of improvement priorities.

II-LEADERSHIP

A company's senior leaders need to set directions and create a customer orientation, clear and visible values, and high expectations. Reinforcement of the values and expectations requires personal commitment and involvement. The leaders' basic values and commitment need to address all stakeholders and include areas of public responsibility and corporate citizenship. The leaders need to guide the creation of strategies, systems, and methods for achieving excellence and building capabilities.

The systems and methods need to guide all activities and decisions of the company. The senior leaders need to commit to the development of the entire work force and should encourage participation and creativity by all employees. Through their personal involvement in planning, communications, review of company performance, and employee recognition, the senior leaders serve as role models, reinforcing the values and building leadership and initiative throughout the company.

Leadership is a point within the criteria for presenting the company's senior leadership management style and describing how the senior leaders guide the company in setting directions. The category includes how the senior leaders create a leadership system based upon clear values and high performance expectations that addresses the needs of

all stakeholders. The category includes the company's responsibilities to the public and how the company practices good citizenship.

Leadership system addresses how the company's senior leaders set directions and build and sustain a leadership system conducive to high performance, individual development, initiative, and organizational learning. The item asks how leadership takes into account all key stakeholders-customers, employees, suppliers, partners, stockholders, the public, and the community.

It calls for information on the major aspects of leadership-creating values and expectations; setting directions; projecting a strong customer focus; developing and maintaining an effective leadership system; and effectively communicating values, directions, expectations, and a strong customer focus. Setting directions includes creating future opportunities for the company and its stakeholders. An effective leadership system is focused on continuously learning to improve overall performance, creating work processes that support efficient and effective accomplishment of

performance objectives, and enhancing demonstration that stated values, directions, and expectations are indeed the basis for the company's key decisions and actions. Communications need to include performance objectives and measures that help provide focus as well as alignment of company units and work processes.

Leadership system includes the senior leaders' role in reviewing overall company performance. This aspect of leadership is crucial, because reviews help to build consistency behind goals and allocation of resources. A major aim is to create organizations that are flexible and responsive-changing easily to adapt to new needs and opportunities. Through their roles in developing strategy and reviewing company performance, senior leaders develop leadership and create an organization capable of adapting to changing opportunities and requirements.

III-CONTINUOUS IMPROVEMENT AND LEARNING

Achieving the highest levels of performance requires a well-executed approach to continuous improvement. The term "continuous improvement" refers to both incremental and "breakthrough" improvement. Improvement needs to be embedded in the way the company functions. Embedded means:

- 1)improvement is part of the daily work of all work units;*
- 2)improvement processes seek to eliminate problems at their source; and*
- 3)improvement is driven by opportunities to do better, as well as by problems that must
be corrected.*

Sources of improvement include: employee ideas, R&D, customer input and benchmarking or other comparative performance information.

Improvements may be of several types:

- 1.enhancing value to customers through new and improved products and services*
- 2.reducing errors, defects, and waste*
- 3.improving responsiveness and cycle time performance*
- 4.improving productivity and effectiveness in the use of all resources, and*
- 5.improving the company's performance in fulfilling its public responsibilities and serving as a corporate citizenship role model. Thus, improvement is intended not only to provide better products and service, but also to be more responsive and efficient-both conferring additional marketplace advantages. To meet these objectives, continuous improvement must contain cycles of planning, execution, and evaluation. This requires a basis-preferably a quantitative basis-for assessing progress and for deriving information for future cycles of improvement. Such information should directly link performance goals and internal operations.*

IV-EMPLOYEE PARTICIPATION AND DEVELOPMENT

A company's success in improving performance depends increasingly on the skills and motivation of its work force. Employee success depends increasingly on having opportunities to learn and to practice new skills. Companies need to invest in the

development of the work force through education, training, and opportunities for continuing growth. Such opportunities might include classroom and on-job training, job rotation, and pay for demonstrated skills. Structured on-the-job training offers a cost effective way to train and to better link training to work processes. Work force education and training programs may need to utilize advanced technologies, such as electronic support systems, computer-based learning, and satellite broadcasts. Increasingly, training, development, and work organizations need to be tailored to a diverse work force and to more flexible, high performance work practices.

Human Resource Development and Management is the focal point within the Criteria for all key human resource practices-those directed toward the creation of a high performance workplace and toward the development of employees that enable them and the company to adapt to change. The category addresses human resource development and management requirements in an integrated way, aligned with the company's strategy.

V-STRATEGIC PLANNING

Pursuit of market leadership requires a strong future orientation and a willingness to make long-term commitments to all stakeholders-customers, employees, suppliers, stockholders, the public, and the community. Planning needs to anticipate many types

of changes including those that may affect customers' expectations of products and services, technological developments, changing customer segments, evolving regulatory requirements, community/societal expectations, and thrusts by competitors. Plans, strategies, and resource allocations need to reflect these commitments and changes. A major part of the long-term commitment is developing employees and suppliers and fulfilling public responsibilities.

VI-INFORMATION AND ANALYSIS

Modern business management systems depend upon measurement, data, information, and analysis. Measurements must derive from the company's strategy and encompass all key processes and the outputs and results of those processes. Facts and data needed for performance improvement and assessment are of many types, including: customer, product and service performance, operations, markets, competitive comparisons, supplier, employee related, and cost and financial. Analysis refers to extracting larger meaning from data to support evaluation and decision making at all levels within the company. Such analysis may entail using data to reveal information-such as trends, projections, and cause and effect- that might not be evident without analysis. Facts, data, and analysis support a variety of company purposes, such as planning, reviewing company performance, improving operations, and comparing company performance with competitors' or with "best practices" benchmarks.

A major consideration in the use of data and analysis to improve performance involves the creation and use of performance measures or indicators. Performance measures or indicators are measurable characteristics of products, services, processes, and operations the company uses to track and improve performance.

Information and Analysis is the main point within the criteria for all key information to effectively manage the company and to drive improvement of company performance and competitiveness. In simplest terms, this is the brain center for the alignment of a company's operations with its strategic directions. However, since information, information technology, and analysis might themselves be primary sources of competitive advantage and productivity growth, the category also includes such strategic considerations.

Selection and Use of information and data represent a key foundation for a performance oriented company that effectively utilizes non-financial and financial information and data.

Analysis and Review of company performance is the principal basis for guiding a company's process management toward key business results. Despite the importance of individual facts and data, they do not usually provide a sound basis for actions or priorities. Action depends upon understanding cause/effect connections among

processes and between processes and business results. A close connection between analysis and performance review helps to ensure that analysis is kept relevant to decision making. This item is the central analysis point in an integrated information and data system. This system is built around financial and non-financial information and data.

RESULTS ORIENTATION

A company's performance system needs to focus on results. Results should be guided by and balanced by the interests of all stakeholders - customers, employees, stockholders, suppliers and partners, the public, and the community. To meet the sometimes conflicting and changing aims that balance implies, company strategy needs to explicitly address all stakeholder requirements to ensure that actions and plans meet the differing needs and avoid adverse impact on any stakeholders. The use of a balanced composite of performance measures offers an effective means to communicate requirements, to monitor actual performance, and to marshal support for improving results.

The criteria focus principally on key areas of business performance, given below:

- 1.customer satisfaction/retention;*
- 2.market share, new market development;*

3.product and service quality;

4.financial indicators, productivity, operational effectiveness, and responsiveness;

5.human resource performance/development;

6.supplier performance/development; and

7.public responsibility/corporate citizenship.

Therefore there are six criteria for which Quality will drive to Customer Satisfaction and therefore to the financial results.

CHAPTER FOUR

4.1. RESEARCH CONCENTRATION:

***In this Research, I have concentrated on two focal points of the criteria which have been tested and results were realized; those two points are Customer Satisfaction and Information Analysis.*

Customer and Market Focus is the focal point within the Criteria for examining how the company seeks to understand the voices of customers and of the market place. This Category stresses relationship enhancement as an important part of an overall listening and learning strategy. Vital information for understanding the voices of customers and of the marketplace must come from customer satisfaction results. In many cases, such results and trends provide the most meaningful information, not only on customer's views but also on their marketplace behaviors-repeat business and positive referrals.

The Customer Satisfaction Survey results are analysed to assess the overall organization performance. The area covers key aspect of performance-customer related.

4.2. RESEARCH METHODOLOGY

There are two types of methodology considered in this study; Quantitative and Qualitative. In both cases, Citibank N.A. Bahrain, was the main sample used in this research.

When choosing the above methodologies, there were a few things which were taken into consideration:

- .amount and nature of the information being gathered;*
- .amount of time available to do the research;*
- .target audience;*
- .need for predictability of the results; and*
- .budget.*

4.2.1. QUANTITATIVE METHODOLOGY:

The research incorporates a larger number of respondents and the results are generally more projectile to the entire population. Two annual questionnaires were distributed to two different samples over the years of 1996 and 1997.

4.2.2. OBJECTIVES

The broad objectives of the survey were:

- a) Determine performance of Citibank along:*

- Overall Satisfaction (OHS)*
- Price, Value and Loyalty measures*
- Access points*
- Service areas*
- Problem Incidence*
- Problem handling satisfaction*

- b) Compare Citibank's scores on key overall measures with that of key competitors*
- c) Determine performance/key drivers of overall satisfaction with respect to access points and service areas*
- d) Determine key drivers of overall satisfaction with respect to problem resolution*
- e) Identify major differences in performance scores across key customer segments*
- f) Suggest recommendations to Citibank for service quality improvement.*

4.2.3. GLOBAL CUSTOMER'S QUESTIONNAIRES:

Annual Customer Satisfaction Survey is conducted Globally by an International Vendor appointed by Citibank's Head Office for which the same have been implemented locally. The results of two consequence Annual Customer Satisfaction Surveys will be considered in this research in linkage to the analysis of the research subject.

The questionnaires to be analyzed will be for the year 1996 and 1997. The frequent research used in this matter was Mailing questionnaires to the customers with

Reminder Calls to all of the customers. The main objectives in designing the questionnaires were:

- Provide results on key metrics overall opinion of Citibank, particularly with regard to overall satisfaction, problem incidence, problem resolution satisfaction;*
- Determine the key drivers of satisfaction with problem resolution;*
- Understand the performance of Citibank on key customer segments; and*
- Compare Citibank's performance against that of its competitors.*

The survey was done using a structured questionnaire developed in consultaion with Citibank. Data collection was done by mailing the questionnaires to relevant customers (who were not eligible for exclusion) in Bahrain.

4.2.3.1. SAMPLE SIZE:

For 1996, a sample of 4500 customers were surveyed. The response rate was 15%.

For 1997, a sample of 4500 customers were surveyed. The response rate was 20%.

4.2.3.2. SAMPLING:

Customer selection criteria for the survey was designed to obtain the highest possible coverage of the population of Citibank customers. The selection criteria used in the 1996 and 1997 Annual Customer Satisfaction Survey included all Citibank customers excluding the following customers groups:

- accounts of staff members;*
- minors;*
- black-listed accounts;*
- past due credit accounts;*
- closed or blocked accounts;*
- those surveyed in the last 6 months;*
- corporate accounts; and*
- asset-only accounts, duplicate accounts.*

The questionnaire is designed and categorized into the following five levels:

LEVEL 1: OVERALL OPINION MEASURES:

Overall satisfaction, Quality of Service, Price Perception, Perceived Value, Loyalty in Deposit and Investment, Loyalty in increasing Loan/Credit, Recommendation likelihood, and Perceived improvement in services.

LEVEL 2: IMPRESSIONS OF CITIBANK AS A GLOBAL STRATEGIC POSITIONING MEASURES:

Privacy, Building relationships, competitive fees, competitive rates on deposits, willingness to help, caring about customers as individuals, handling special requests and informing customers of the problems.

LEVEL 3: SATISFACTION MEASURES:

Access points (phone banking, branch, personal banker, written correspondence, statements, automated teller machines(ATM), teller), and service features and problem handling.

Level 4: ATTRIBUTE MEASURES:

Diagnostic attributes relating to access points and service features and problem annoyances.

Others:

Background information- demographic information.

This research discusses the relationship between service quality and profit improvement. Therefore, only the related results of the questionnaire will be analyzed accordingly. The consideration will be on the overall satisfaction and the key drivers of such satisfaction whether it is meeting the financial needs or the service quality needs.

SCALE:

Citibank's standard set of scales (7-point scale) is used throughout the questionnaire for the overall high satisfaction while a standard of 5-point scale is used for the other parts. Based on the type of question, the following different scales are used:

Type 1:

which covers the overall satisfaction:

*-very satisfied -satisfied -somewhat satisfied -neither satisfied nor dissatisfied
-somewhat dissatisfied -dissatisfied -very dissatisfied*

Type 2:

-much better than expected -better than expected -just as expected -worse than expected -much worse than expected

Type 3:

-excellent -very good -good -fair -poor

Type 4:

*-increase greatly -increase somewhat -stay about the same -decrease somewhat
-decrease greatly -not sure/no opinion*

Type 5:

-extremely likely -very likely -likely -unlikely -very unlikely

Type 6:

-become much better -become better -stayed the same -become worse -become much worse

Type 7:

-strongly agree -agree -neither agree nor disagree -disagree -strongly disagree

4.2.4. METHOD OF ANALYSIS:

A multiple regression analysis is used where we can deal with many questions at a time. It also shifts out those questions that are of key importance and that are predictors of a key question. Multiple regression also can be used to streamline questionnaires by helping to eliminate those items that the analyses indicate are of less importance.

4.3. QUALITATIVE METHODOLOGY:

The objective of using this method is to cover staff and management perception. The method applied was group discussion with regard to the different criteria. The group was of 40 person of the whole GCB population. The technique applied in-depth discussion with focus groups of different departments. It was loosely structured and

followed the path of going from very general issues to “drilling down” into the specifics. There is extensive probing to uncover the “why” behind different issues.

The group discussion was conducted for Citibank’s Bahrain Global Consumer Banking staff (GCB) including both employee and management. The whole population of 40 person was used as a sample. The objective of the survey was to get the staff perceptions of the customers’ service quality and the inter departmental relationships in performing their tasks.

The discussion was the initial step to cover only part of the staff perception, however, a detailed survey covering different aspects will be considered in some future studies.

The questions were categorized into two parts:

Part 1:

measures the perception of the staff as being internal customers with regard to the quality of service.

Part 2:

measures the perception of the staff with regard to the interdepartmental relationship in achieving the performance goals.

Scale:

Two different scales were used for the different parts:

Part 1: applied five likert scale

Part 2: applied open questions.

Analysis:

A simple linear regression analysis was used in this discussion due to the simplicity and the number of key points covered.

CHAPTER FIVE

DATA ANALYSIS

5.1 ANNUAL CUSTOMER SATISFACTION SURVEY

As stated earlier in chapter four, that only the relevant data will be analyzed with regard to the linkage to the subject of how the customer satisfaction with the service quality will improve our business level and accordingly increases our profit. To achieve this objective, in the analysis we will relate the Overall Satisfaction of the customers to the Key Drivers of:

- willingness to recommend;*
- willingness to increase usage;*
- willingness to continue to use Citibank, and*
- the attrition percentage.*

A comparison of the 1996 Annual Customer Satisfaction Survey with 1997 Annual Customer Satisfaction Survey will be undertaken.

5.1.1. OVERALL MEASURES

5.1.1.1. OVERALL STAISFACTION

Table # 1: Overall Staisfaction Results

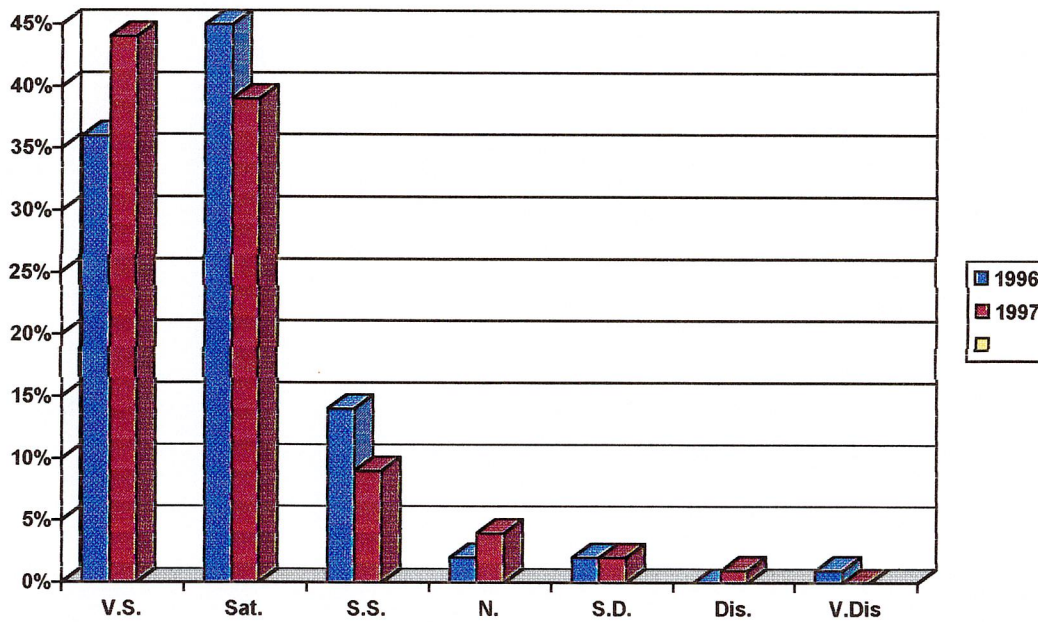
<i>Item</i>	<i>1996</i>	<i>1997</i>	<i>% Change</i>
<i>Very Satisfied</i>	<i>36%</i>	<i>44%</i>	<i>8%</i>
<i>Satisfied</i>	<i>45%</i>	<i>39%</i>	<i>-6%</i>
<i>Somewhat Satisfied</i>	<i>14%</i>	<i>9%</i>	<i>-5%</i>
<i>Neither</i>	<i>2%</i>	<i>4%</i>	<i>2%</i>
<i>Somewhat Dissatisfied</i>	<i>2%</i>	<i>2%</i>	<i>0%</i>
<i>Dissatisfied</i>	<i>0%</i>	<i>1%</i>	<i>1%</i>
<i>Very Dissatisfied</i>	<i>1%</i>	<i>0%</i>	<i>-1%</i>

Source: CitiBank's ACSS for the year 1996,1997

In analyzing the data obtained from the Annual Customer Satisfaction Surveys which were conducted in the years 1996 and 1997, we have noticed change in the Customers' Satisfaction as the Bank attempted to improve its quality of Service Provided to the Customer and increasing the range of products that meets the needs of both the customer and the bank.

In 1996 the Overall High Satisfaction of the Customer was 81% (Top Two Boxes, which are the Very Satisfied and the Satisfied) while it have been increased in 1997 to 84%. The High Satisfied Customers have increased from 36% in 1996 to 44% in 1997. “OHS” score was high. (Table #1)

Graph # 1. Overall Satisfaction with the Bank



Source: Citibank ACSS 1996,1997

5.1.1.2. QUALITY OF SERVICE

Table # 2:Quality of Service

<i>Item</i>	<i>1996</i>	<i>1997</i>	<i>% Change</i>
<i>Much Better Than Expected(M.B.)</i>	<i>14%</i>	<i>24%</i>	<i>10%</i>
<i>Better Than Expected(B.)</i>	<i>33%</i>	<i>31%</i>	<i>-2%</i>
<i>Just as Expected(Ex.)</i>	<i>50%</i>	<i>40%</i>	<i>-10%</i>
<i>Worse Than Expected(W.)</i>	<i>3%</i>	<i>4%</i>	<i>1%</i>
<i>Much Worse Than Expected(M.W.)</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

Source: CitiBank's ACSS for the year 1996,1997

Overall Quality of Service has also recorded high scores and an increase of 10% in 1997 from 1996 with 0% of much worse than expected.

To enhance the Quality level delivered to the customers, a separate unit called Customer Satisfaction and Quality was formed and its objectives were mainly:

-Process Improvement to achieve zero defect in processing transactions and reduce the cycle time,

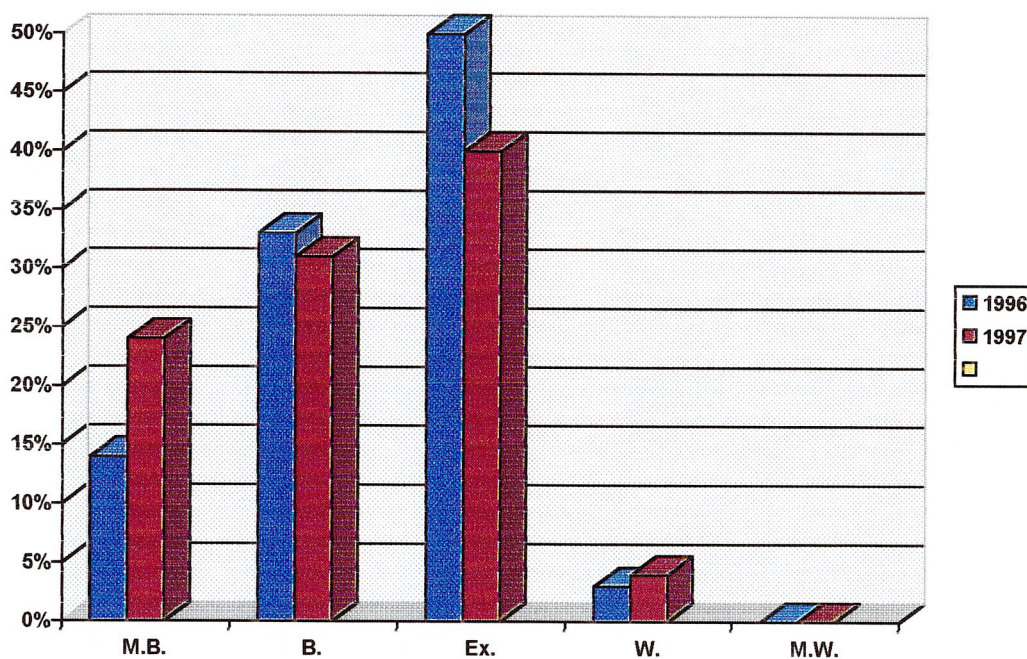
-Listen to the voice of the customers through continuous surveys, and

-Set up an investigation desk to resolve and follow up on each complaint.

All those were realized by the customers 1997 through their statements of the survey.

Therefore, an increase of 10% in much better than expected is acheived while a reduction of 10% in just as expected. (Table #2)

Graph # 2: Quality of Service



Source: Citibank ACSS 1996,1997

5.1.1.3.PRICE PERCEPTION:

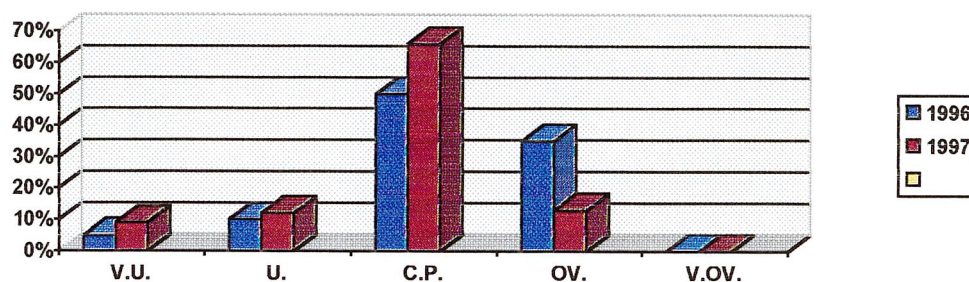
Table # 3: Price Perception

<i>Item</i>	<i>1996</i>	<i>1997</i>	<i>% Change</i>
<i>Very Underpriced (V.U.)</i>	<i>5%</i>	<i>9%</i>	<i>4%</i>
<i>Underpriced(U.)</i>	<i>10%</i>	<i>12%</i>	<i>2%</i>
<i>Competitively priced(C.P.)</i>	<i>50%</i>	<i>66%</i>	<i>16%</i>
<i>Overpriced(OV.)</i>	<i>35%</i>	<i>13%</i>	<i>-22%</i>
<i>Very Overpriced(V.OV.)</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

Source: CitiBank's ACSS for the year 1996,1997

A 9% very underpriced score was resulted in 1997 compared to 1996 of 5%. In 1996, customers responded to the price perception as overpriced for 35%. After realizing the value that Citibank quality offers, customers started to beleive that Citibank is not overpriced. This is noticed through a reduction in the overpriced by 22%. (Table#3)

Graph # 3: Price Perception



Source: Citibank ACSS 1996,1997

5.1.1.4.RECOMMENDATION:

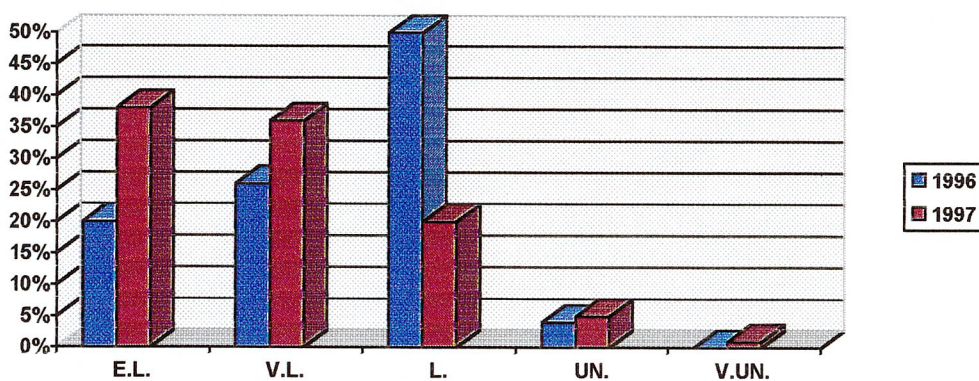
Table #4: Recommendation

<i>Item</i>	<i>1996</i>	<i>1997</i>	<i>% Change</i>
<i>Extremely Likely(E.L.)</i>	<i>20%</i>	<i>38%</i>	<i>18%</i>
<i>Very Likely(V.L.)</i>	<i>26%</i>	<i>36%</i>	<i>10%</i>
<i>Likely(L.)</i>	<i>50%</i>	<i>20%</i>	<i>-30%</i>
<i>Unlikely(UN.)</i>	<i>4%</i>	<i>5%</i>	<i>1%</i>
<i>Very Unlikely(V.UN.)</i>	<i>0%</i>	<i>1%</i>	<i>1%</i>

Source: CitiBank's ACSS for the year 1996,1997

It is noticed that a satisfied and loyal customer will recommend the Bank to others. In 1997 the likelihood to recommend have increased by 18% compared to 1996 which resulted in 20%.(Table # 4)

Graph # 4: Recommendation



Source: Citibank ACSS 1996,1997

5.1.1.5.PROBLEM INCIDENCE:

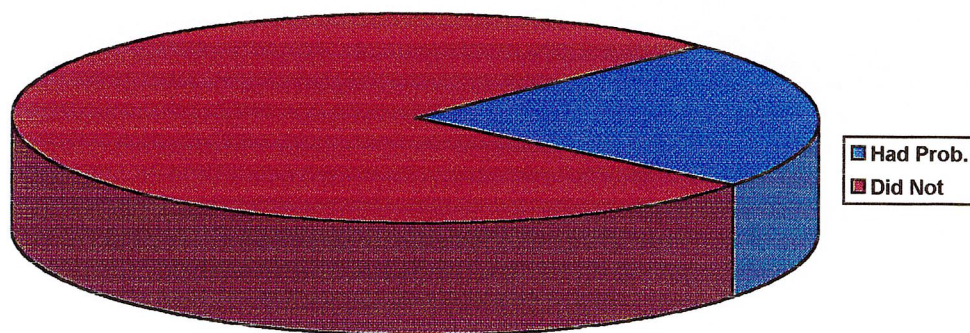
Table # 5: Problem Incidence

<i>Item</i>	<i>1996</i>	<i>1997</i>	<i>% Change</i>
<i>Had Problem</i>	<i>23%</i>	<i>19%</i>	<i>-4%</i>
<i>Did Not Have Problem</i>	<i>77%</i>	<i>81%</i>	<i>4%</i>

Source: CitiBank's ACSS for the year 1996,1997

An improvement in the systems, process, and staff training reduces the probability of any problem incidences. In 1997, 81% of the respondents had no problem compared to 77% in 1996.(Table # 5)

Graph # 5: Problem Incidence



Source: Citibank ACSS 1996,1997

5.1.1.6.PROBLEM HANDLING SATISFACTION:

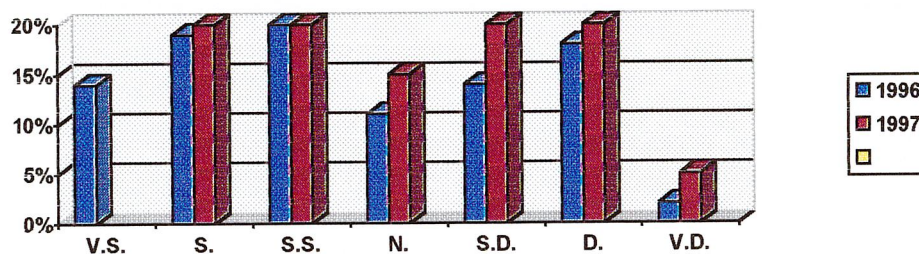
Table # 6: Problem Handling Satisfaction

Item	1996	1997	% Change
Very Satisfied(V.S.)	14%	20%	6%
Satisfied(S.)	19%	20%	1%
Somewhat Satisfied(S.S.)	20%	15%	-5%
Neither(N.)	11%	15%	4%
Somewhat Dissatisfied(S.D.)	14%	20%	6%
Dissatisfied(D.)	18%	20%	-13%
Very Dissatisfied(V.D.)	2%	5%	-2%

Source: CitiBank's ACSS for the year 1996,1997

The reduction in Problem incidence was accompanied with an increase in the very satisfied customer with the problem handling. Customers expect excellent service; and if they don't get it they expect their complaint to be handled well. (Table # 6)

Graph # 6: Problem Handling Satisfaction



Source: Citibank ACSS 1996,1997

5.2. IMPRESSIONS OF CITIBANK-GLOBAL STRATEGIC POSITIONING

Feedback was sought from the customers across a battery of statements representing the Citibanking elements. Customers were requested to indicate the extent of their agreement to each of the statements. The objective of this exercise was to capture the image of Citibank as perceived by the customers.

In analysing the statements, the following factors were highlighted:

a) Trust:

- Trusting Citibank as a place to keep money*
- Trusting Citibank as a place to invest money*
- Being a leader in providing the latest innovations in banking.*

b) Customer Orientation:

- Providing sufficient privacy in branches*
- Quickly letting you know if there is a problem*
- Being able to handle your special requests*
- Citibank staff having sufficient authority to handle requests*
- Customer representative puts customer needs before the bank's*
- Being excellent at building relationships*
- Having the right combination of accounts*
- Charging competitive fees*

c) Convenience:

- All banking can be done 24 hrs a day, 7 days a week*
- All banking can be done through Citiphone Banking*

- Being located in key cities around the world*
- Can use Citicard to access funds all over the world*

5.2.1. Drivers of Overall Satisfaction

Overall Satisfaction (OHS) is dependent on image of Citibank and quality of service along service areas and access points. The extent of influence each of image elements have on the OHS is indicated by Driver Analysis. We can use this to identify the important image elements and concentrate on leveraging/improving them and highlighting them in Citibank's communications to customers in order to improve OHS. An important point to note here is that, the time required to change the image will be much longer compared to effecting improvements on service along access points and service areas.

5.3. QUALITATIVE STUDY:

FOCUS GROUP WITH STAFF AND MANAGEMENT

A number of 40 people have been involved in the focus group to discuss the importance of Quality in the work productivity. Staff and Management are considered as Internal Customers for other departments. Therefore, in the evaluation of Quality, some departments are considered as suppliers to others while other departments are considered as customers.

All of the staff and management have agreed that Quality needs to be imbedded in each aspect of work being performed. Quality is seen as Reduction in Cycle Time and Zero Defect in the performance. If each staff performs the job in less time spent and achieves the work with no

defect which requires a revisit to the same, Quality is then achieved. Simultaneously, efforts will be diverted to the development or improvement of meeting customers needs.

87% of the staff involved in the group valued the focus discussion and encourages the gathering of staff/management from different units and different organizational levels.

Another aspect which leads to Quality and increased productivity is the frequent and regular meetings among the units and with different units. Staff and Management thinks that such meetings will increase the communication among the cross functional units and leads to a better understanding of the Business Strategy. Moreover, understanding the needs of staff to develop their skills to meet the jobs requirements will help in linking with the customers needs.

Quality advances the idea that colleagues must be thought of as internal customers. They therefore have expectations and rights, usually reserved for customers, that must be respected. Work in the bank should subsequently become more efficient and enjoyable.

CHAPTER SIX

HOW BUSINESS RESULTS ARE RELATED TO QUALITY

6.1. IN RELATION TO THE CUSTOMER SATISFACTION:

In the year 1996, the annual customer satisfaction survey resulted in a number of problems that had great affect on the level of customers satisfaction and their loyalties in remaining with the bank together with the recommendation to bank with Citibank. The following are examples of what resulted:

- Unavailability of a number of branches in the most areas;*
- Delay in sending statements;*
- No parking lots; and*
- No wide range of products.*

In an attempt to increase the customers satisfaction and loyalty to the bank in which it will result in more money to be deposited or to be borrowed and simultaneously increase the number of referrals by the customers, the bank have approached the following steps during 1997:

- 1. Established a quality council which consists of a number of cross functional people;*
- 2. Established improvement teams that lead the continuos improvements of the different processes in the business;*
- 3. Monthly continuos surveys to measure the customer satisfaction and opinion;*

- 4. Formed a dedicated desk to handle customer inquiries and complaints to be resolved within 24 hours time period with adequate correspondences to the customer; and*
- 5. Added more products and services to the existing line.*

With the above, the bank ensured that the attrition rate have declined beside that more people open relationships with Citibank. For the Asset side, customers tend to have additional personal loans although the interest rate offered is higher than other foreign and local banks in the market. This had a dramatically effect on the current portfolios on the book which lead to more service charges income, more spread applied in the treasury deals of deposits as the volume of deposits increased, and increase in the new customers who were approached by the sales team or even through customers referrals.

Customer Satisfaction results addresses the principal customer related results. This item calls for the use of all relevant data and information to establish the company's/bank's performance as viewed by the customer. Relevant data and information include: customer satisfaction and dissatisfaction, retention, gains and losses of customers and customer accounts; customer-perceived value based on quality and price; and competitive awards, ratings, and recognition form customers and independent organizations.

6.2. IN RELATION TO THE STAFF:

With regard to the staff part, every staff makes sure that quality is impeded in each aspect of process being performed. Moreover, with more cross functional staff being involved in the different assignments of process improvements, morale of the staff have been improved which resulted in effective and efficient productivity. This resulted in zero defect and reduction in the cycle time performance. With all of these, the cost of executing a transaction have been reduced.

6.3. IN RELATION TO THE FINANCIAL RESULTS

This addresses those factors that best reflect the bank's financial and marketplace performance. Measures analysed are the key financial measures that are tracked by the senior leadership on an ongoing basis to gauge overall compnay performance.

Comparing the financial results of 1997 to 1996 after the recommendation that resulted from the 1996 survey was put in place in 1997 and improvement was realized in processes, systems and staff training, the following financials resulted:

	<u>1996(BD)</u>	<u>1997(BD)</u>
<i>Loans</i>	<i>10,391,629.000</i>	<i>11,538,614.000</i>
<i>Deposits</i>	<i>59,086,519.000</i>	<i>66,286,359.000</i>

The increases in the amount and number of loans granted lead to an increase in the interest earned. Simultaneously, the increase in the deposits, results in more interest and discount earned by the bank.

Having analysed the above and relating the results to the concepts of the literature review of Quality Criteria, it is found that Customer Satisfaction through Quality leads to best Financial results.

CHAPTER SEVEN

CONCLUSIONS

Quality is promoted as a relatively simple, straightforward approach that will quickly get to the root of all difficulties. Splashed across management journals are tempting slogans like “Quality is free, Quality without tears, Quality the no-nonsense approach, Five easy steps to improving quality, Improving quality improves profitability, and Exceed expectations with a quality approach”.

In reality quality can bring significant benefits for everybody, but there are costs on individuals and organization.

Quality wants to change the traditional management style. Handing down responsibility, allowing for autonomy, and promoting local decision making are all part of the new approach. Greater motivation and creativity are expected. This makes sense on paper, but in practice devolving power turns out to be extremely difficult for managers to swallow.

Many advocates of quality stress the need for hard, quantitative measures to enable sophisticated mathematical and statistical control procedures to be implemented. The organization can be brought under tighter control in this way.

Quality strongly promotes continuous improvement. This encourages slow, steady improvement of the processes in operations. Meanwhile a competitor progressing in a discontinuous

fashion can improve their products in leaps and bounds. Quality then provides competitors with the opportunity to get ahead and take the advantage.

The studies conducted for Citibank Bahrain have proved and resulted in the strong need of quality which have led to the increased profitability of the business. This have been experienced in all of the aspects of the study in which personally being involved as a Quality Director.

One of the main conclusions derived from these case studies was that all these organisations are guided by the principles of learning and continuous improvement. Organisations look for improvements of all their result areas - not only financial but also in customer satisfaction, market share, culture change etc. They have to learn to understand the differences in the two basic quality notions. On one hand quality assurance processes and on the other hand an institutionalised efficient improvement system based on the principles discussed.

Successful implementation of the concepts requires an active lead role from top management. It has to make quality an explicit element of an organisation's strategic planning process. Top managers think in terms of strategy and competitiveness; the necessary top management commitment to principles will only come about if quality and customer satisfaction, as determined by the consumer, result in better competitive standing and a higher profitability. And this must be one of the key strategic goals of every organisation.

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As a token of our appreciation for your participation in the survey, Citibank will enter your name in a raffle draw. To enter the draw, all you have to do is complete this questionnaire together with your name and address in the coupon at the end of the questionnaire and mail the questionnaire booklet to **PAN ARAB RESEARCH CENTER** in the envelope provided.

SECTION - I : OVERALL OPINION

TO BEGIN WITH, WE WOULD LIKE TO ASK ABOUT YOUR OVERALL OPINION OF CITIBANK

1. Overall, how satisfied are you with Citibank? (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

2. Considering what you think it should be, please rate the overall quality of service you receive from Citibank across all of the products and services they provide. Is it..... (Please circle one answer)

1. Much better than expected
2. Better than expected
3. Just as expected
4. Worse than expected
5. Much worse than expected

3. Given all of your experience with Citibank products, services and cost, would you say Citibank is..... (Please circle one answer)

1. Underpriced
2. Somewhat underpriced
3. Competitively priced
4. Somewhat overpriced
5. Overpriced

4. Considering the price/charges you pay and the quality you receive, please rate the overall value of the products and services you receive from Citibank. (Please circle one answer)

1. Excellent
2. Very good
3. Good
4. Fair
5. Poor

Now we would like you to answer some questions about your possible banking activities in the future.

5. Considering how much you currently bank with Citibank, how will your banking activity with Citibank change over the next 12 months? (Please circle one answer for each of the two aspects of banking)

A. Amount of deposits and/or investments with Citibank will

1. Increase greatly
2. Increase somewhat
3. Stay about the same
4. Decrease somewhat
5. Decrease greatly
0. Not sure/No opinion

B. Amount of loans and/or credit with Citibank will

1. Increase greatly
2. Increase somewhat
3. Stay about the same
4. Decrease somewhat
5. Decrease greatly
0. Not sure/No opinion

6. If a friend or relative were to ask, how likely is it that you would recommend that they bank with Citibank? (Please circle one answer)

1. Extremely likely
2. Very likely
3. Likely
4. Unlikely
5. Very unlikely

7. In the past 12 months, has the service you received from Citibank (Please circle one answer)

1. Become much better
2. Become better
3. Stayed the same
4. Become worse
5. Become much worse

8. Do you consider Citibank to be your main bank or financial institution? (Please circle one answer)

1. Yes
0. No

9. Listed below are several ways you can access your Citibank accounts. Please put a number "1" by your most frequently used method of access, a "2" by the second most frequently used, and a "3" by the third most frequently used.

- Visit the Teller at the Branch
- Visit the CitiGold Executive at the Branch
- ATM/CBC
- CitiPhone Representative
- Mail
- Call the CitiGold Center
- Overseas ATM

IMPRESSIONS OF CITIBANK

10. We would like to learn your current impressions of Citibank. The following statements describe what you may have recently experienced or what you think you would experience with Citibank. For each statement, please rate your agreement that Citibank's performance is excellent in these areas.

- | | Strongly agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree | Don't know/Not applicable |
|--|----------------|-------|----------------------------|----------|-------------------|---------------------------|
| A. Providing an environment where you can do all your banking 24 hours a day, 7 days a week at a Citibank ATM, rather than having to go into a Citibank branch | 1 | 2 | 3 | 4 | 5 | 0 |
| B. Providing an environment where you can do all your banking (except getting cash or making deposits) by calling CitiPhone's telephone banking service, during working hours | 1 | 2 | 3 | 4 | 5 | 0 |
| C. Being located in key cities around the world with branches, ATMs, and telephone banking services that you can use when you travel | 1 | 2 | 3 | 4 | 5 | 0 |
| D. Always providing you with sufficient privacy in the branches when discussing financial matters | 1 | 2 | 3 | 4 | 5 | 0 |
| E. Quickly letting you know if there is a problem with your account | 1 | 2 | 3 | 4 | 5 | 0 |
| F. Providing an environment where you can use your Citicard to access all your funds at Citibank branches and ATMs around the world | 1 | 2 | 3 | 4 | 5 | 0 |
| G. Not having to deal with different parts of the bank for each of your accounts because Citibank branch and CitiGold Executives have knowledge of your entire Citibank relationship | 1 | 2 | 3 | 4 | 5 | 0 |

		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know/Not applicable
H.	Being able to always handle your special requests	1	2	3	4	5	0
I.	The Citibank staff you directly deal with having sufficient authority to handle your requests	1	2	3	4	5	0
J.	Citibank caring about you as an individual	1	2	3	4	5	0
K.	The customer rep puts your individual needs before the bank's	1	2	3	4	5	0
L.	No matter what the circumstances, the people at Citibank being willing to help you	1	2	3	4	5	0
M.	Having the right combination of accounts to meet your needs	1	2	3	4	5	0
N.	Offering competitive rates on deposits	1	2	3	4	5	0
O.	Charging competitive fees	1	2	3	4	5	0
P.	Being excellent at building relationships with its customers	1	2	3	4	5	0
Q.	Trusting Citibank as a place to keep your money	1	2	3	4	5	0
R.	Trusting Citibank as a place to invest your money	1	2	3	4	5	0
S.	Being a leader in providing the latest innovations in banking	1	2	3	4	5	0
T.	Providing a level of service that is always consistent and predictable	1	2	3	4	5	0

SECTION - II : CITIGOLD CENTER

Now, we would like you to answer some questions pertaining to the CitiGold Center you usually use.

1. Please rate your satisfaction with the overall quality of service you received from the CitiGold Center the last time you visited. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied
0. I never go into a CitiGold Center - (Skip to CitiGold Executive Section)

SECTION - III : TELLER

1. Have you personally used the teller service in this CitiGold Center in the past six months? (Please circle one answer)

1. Yes - (Continue)
0. No - (Skip to CitiGold Executive Section)

2. Please rate your satisfaction with the quality of service you received the last time you went to a teller in CitiGold Center. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

3. Considering what you think it should be, please rate the quality of the following aspects of the service you received from the Citibank teller you last visited.

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
A.	The teller's knowledge of his/her job	1	2	3	4	5
B.	The teller's courtesy	1	2	3	4	5
C.	The teller's ability to explain things clearly	1	2	3	4	5
D.	The teller treating you like a valued customer	1	2	3	4	5
E.	The teller's ability to find appropriate solutions to meet your needs	1	2	3	4	5
F.	The teller's effort at telling you about other accounts and services that might meet your needs	1	2	3	4	5
G.	The teller taking the time necessary to help you	1	2	3	4	5
H.	The teller's actions as a professional in every sense of the word	1	2	3	4	5
I.	The teller's accurate completion of the transaction	1	2	3	4	5
J.	The teller's ability to complete the transaction/ inquiry within a reasonable amount of time	1	2	3	4	5
K.	The teller's ability to give correct information	1	2	3	4	5
L.	The waiting time to see the teller	1	2	3	4	5

Please indicate the number of minutes you waited to see the teller

SECTION - IV : CITIGOLD EXECUTIVE

1. Have you contacted a CitiGold Executive in the past six months? (Please circle one answer).

1. Yes - (Continue)
0. No. - (Skip to ATMs Section)

2. Please rate your satisfaction with the quality of service you received the last time you went to your CitiGold Executive. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

3. Considering what you think it should be, please rate the quality of the following aspects of the service you received from the CitiGold Executive you last visited.

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
A.	The CitiGold Executive's knowledge of his/her job	1	2	3	4	5
B.	The CitiGold Executive's courtesy	1	2	3	4	5
C.	The CitiGold Executive's ability to explain things clearly	1	2	3	4	5
D.	The CitiGold Executive treating you like a valued customer	1	2	3	4	5
E.	The CitiGold Executive's ability to find appropriate solutions to meet your needs	1	2	3	4	5

Much better than expected
 Better than expected
 Just as expected
 Worse than expected
 Much worse than expected

F.	The CitiGold Executive's effort at telling you about other accounts and services that might meet your needs	1	2	3	4	5
G.	The CitiGold Executive taking the time necessary to help you	1	2	3	4	5
H.	The CitiGold Executive's accurate completion of the transaction	1	2	3	4	5
I.	The CitiGold Executive's ability to complete the transaction/ inquiry within a reasonable amount of time	1	2	3	4	5
J.	The CitiGold Executive's ability to give correct information	1	2	3	4	5
K.	The CitiGold Executive's flexibility in handling your request	1	2	3	4	5
L.	The CitiGold Executive's ability to provide investment advice	1	2	3	4	5
M.	The CitiGold Executive's ability to follow instructions accurately	1	2	3	4	5
N.	The waiting time to see the CitiGold Executive	1	2	3	4	5

Please indicate the number of minutes you waited to see the CitiGold Executive

SECTION - V : ATMs

1. Have you personally used a Citibank ATM in the past six months? (Please circle one answer)

1. Yes - (Continue)
 0. No - (Skip to CitiPhone Banking section)

2. Please rate your satisfaction with the overall quality of service delivered by Citibank's ATM the last time you used it. (Please circle one answer)

1. Very satisfied
 2. Satisfied
 3. Somewhat satisfied
 4. Neither satisfied nor dissatisfied
 5. Somewhat dissatisfied
 6. Dissatisfied
 7. Very dissatisfied

3. Considering what you think it should be, please rate the quality of the following aspects of Citibank's ATMs the last time you used them.

		Much better than expected	Better than expected	Just as expected	Worse than expected
A.	Waiting time to use the machine	1	2	3	4
B.	The machine working properly	1	2	3	4
C.	Your card working perfectly in the machine	1	2	3	4
D.	Ability to do what you wanted	1	2	3	4
E.	Time taken to complete the transaction	1	2	3	4
F.	Clarity of record or receipt	1	2	3	4

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
G.	The ability of Citibank staff to help you when using the phone next to the machine	1	2	3	4	5
H.	Feeling safe when using the machine	1	2	3	4	5
I.	Ease of using the machine	1	2	3	4	5
J.	ATM centre being clean and tidy	1	2	3	4	5
K.	Receiving the amount of cash requested	1	2	3	4	5
L.	Transaction being completed accurately	1	2	3	4	5
M.	Range of services offered	1	2	3	4	5

SECTION VI : CITIPHONE BANKING

Now we would like to get your response to questions about your experiences with CitiPhone Banking.

1. In the past six months, have you called CitiPhone Banking? (Please circle one answer)

1. Yes - (Continue)
0. No - (Skip to Products and Services Section)

2. What did you want to do during your last contact with CitiPhone Banking? Was it to..... (Please circle one answer)

1. Ask for information
2. Carry out a transaction/instruction
3. Deal with a problem or error
4. Other (Please specify).....

3. Please rate your satisfaction with the overall quality of service you received the last time you contacted CitiPhone Banking. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

4. Please rate your satisfaction with the overall quality of service you received the last time you contacted a CitiPhone Officer. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

5. Considering what you think it should be, please rate the quality of service you received from the CitiPhone Officer on the following aspects of service.

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
The CitiPhone Officer's.....						
A.	Knowledge	1	2	3	4	5
B.	Professionalism and competency	1	2	3	4	5
C.	Courtesy and helpfulness	1	2	3	4	5
D.	Ability to solve your problem	1	2	3	4	5

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
E.	Ability to give all the information that you needed	1	2	3	4	5
F.	Effort at telling you about other accounts and services that might meet your needs	1	2	3	4	5

5a. Your experience on the following aspects was:

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
A.	Being able to contact CitiPhone Officer the first time you called	1	2	3	4	5
B.	Being able to complete your transaction on the first call	1	2	3	4	5
C.	Receiving accurate information	1	2	3	4	5
D.	Waiting time to speak to the CitiPhone Officer	1	2	3	4	5
E.	The CitiPhone Officer following up on my transaction	1	2	3	4	5
F.	The time taken to complete your transactions	1	2	3	4	5
G.	The range of transactions available through CitiPhone	1	2	3	4	5

SECTION VII : PRODUCTS AND SERVICES

1. Which of the following products and services of Citibank do you personally use? (Please circle as many as apply)

1. Deposits
 2. Loans
 3. Others (Please specify)
-

2. Overall, how satisfied are you with Citibank's products and services meeting your financial needs? (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

3. Now please rate the following features of Citibank products and services. Please indicate the extent to which you agree or disagree with each statement.

		<i>Strongly agree</i>	<i>Agree</i>	<i>Neither agree nor disagree</i>	<i>Disagree</i>
A.	Citibank has innovative products that help me manage my money well	1	2	3	4
B.	Citibank's products and services are designed for my convenience	1	2	3	4

		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
C.	Citibank offers hassle-free approval process for overdraft, loans and other credit facilities	1	2	3	4	5
D.	Citibank offers speedy loan approval	1	2	3	4	5

SECTION VIII : STATEMENT

Now we would like your opinion about the Citibank account statements you receive

1. Please rate your satisfaction with the overall quality of the last account statement you received from Citibank. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

2. Considering what you think it should be, please rate the quality of the following aspects of your Citibank account statement.

		Much better than expected	Better than expected	Just as expected	Worse than expected	Much worse than expected
A.	Accuracy of statements	1	2	3	4	5
B.	Arriving with sufficient time to pay before the due date (timeliness)	1	2	3	4	5
C.	Receiving all statements due to you in the last six months	1	2	3	4	5
D.	Ease of understanding the listed transactions	1	2	3	4	5
E.	Print quality of the statement	1	2	3	4	5
F.	Usefulness of enclosed brochures	1	2	3	4	5
G.	Ease of checking your transactions	1	2	3	4	5
H.	Ease and understandability of statements	1	2	3	4	5

3. What in your opinion is the acceptable number of days after month-end to receive the monthly statement? Please indicate number of days

SECTION IX : WRITTEN CORRESPONDENCE

Now, we would like your opinion of your written correspondence with Citibank

1. Have you contacted Citibank by written correspondence in the last six months? (Please circle one answer)

1. Yes - (Continue)
0. No - (Skip to Problems Section)

2. Please rate your satisfaction with the overall quality of service you received as a response to your written correspondence. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

3. Considering what you think it should be, please rate the quality of Citibank's response to your last written correspondence on the following attributes.

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
A.	Ability to meet your needs	1	2	3	4	5
B.	Time taken to respond to your correspondence	1	2	3	4	5
C.	Ability to suggest suitable solutions to meet your needs	1	2	3	4	5
D.	Accuracy of Citibank's response	1	2	3	4	5

SECTION X : PROBLEMS

The following questions concern your opinion about any problems or annoyances you may have experienced in dealing with Citibank.

1. In the past six months have you personally experienced a problem or an annoyance with Citibank? (Please circle one answer)

1. Yes - (Continue)
0. No - (Go to Competitor Section)

2. What was the most recent problem or annoyance you had with Citibank? In your own words, please describe fully what happened.

.....

.....

.....

.....

.....

3. With which Citibank account, product or service did you encounter the situation you described in Question 2.

.....

.....

.....

.....

4. Do you consider the situation you described in Question 2 to be... (Please circle one answer)

1. An annoyance
2. A minor problem
3. A major problem
4. A disaster

5. Did you contact Citibank about the situation you described in Question 2? (Please circle one answer)

1. Yes - (Skip to Question 7)
0. No - (Continue)

6. Please describe your reason for not contacting Citibank.

.....

.....

.....

(If you did not contact someone at Citibank, Skip to Competitor Section)

7. How did you initially contact Citibank about this recent problem? (Please circle one answer)

1. You visited/called a CitiGold Center and someone there handled the problem
2. You called the telephone number on your Citibank statement
3. You called CitiPhone Banking
4. You used a telephone in a Citibank branch or next to a Citibank ATM
5. You wrote a letter to Citibank

8. Regardless of the outcome, how satisfied are you overall with the way Citibank handled or is currently handling this problem or annoyance. (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

9. What is the single, most important reason why you responded the way you did in Question 8?

.....

.....

.....

10. How many times, in total, did you have to contact Citibank about this problem or annoyance? Your best estimate will do. (Please circle one answer)

1. One time
2. Two times
3. Three times
4. More than 3 times

11. Has your problem been resolved yet? (Please circle one answer)

1. Yes
2. No - Citibank is still working on it
3. No - Citibank was unable to resolve it
4. Not sure

12. Considering what you think it should be, please rate Citibank's performance in each of the following areas:

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
A.	Resolving your problem promptly	1	2	3	4	5
B.	Resolving your problem the first time you reported it	1	2	3	4	5
C.	Being understanding and sympathetic about your problem	1	2	3	4	5
D.	Sending you a response within a reasonable amount of time	1	2	3	4	5

		<i>Much better than expected</i>	<i>Better than expected</i>	<i>Just as expected</i>	<i>Worse than expected</i>	<i>Much worse than expected</i>
E.	Addressing all issues pertaining to your problem in the response	1	2	3	4	5
F.	The first person you contacted resolving your problem	1	2	3	4	5
G.	The number of days it took to solve your problem	1	2	3	4	5
13.	How long did it take Citibank to resolve your problem?					
	1. Within 1 day					
	2. Between 2 to 5 days					
	3. Between 6 to 10 days					
	4. Not resolved yet					
	5. Other (please specify) days					

SECTION XI : COMPETITOR SECTION

1. What is the name of the bank you use most frequently other than Citibank? Write in name of bank.....
2. Is the bank named in Question 1 your main bank?
 1. Yes
 0. No

3. Overall how satisfied are you with the bank you named in Question 1? (Please circle one answer)

1. Very satisfied
2. Satisfied
3. Somewhat satisfied
4. Neither satisfied nor dissatisfied
5. Somewhat dissatisfied
6. Dissatisfied
7. Very dissatisfied

4. Considering what you think it should be, please rate the overall quality of service you receive from the bank you named in Question 1, across all of the products and services they provide. Is it (Please circle one answer)

1. Much better than expected
2. Better than expected
3. Just as expected
4. Worse than expected
5. Much worse than expected

5. Given all of your experience with the products, services and cost of the bank you named in Question 1, would you say that your other bank is..... (Please circle one answer)

1. Underpriced
2. Somewhat underpriced
3. Competitively priced
4. Somewhat overpriced
5. Overpriced

6. Considering the price you pay and the quality you receive, please rate the overall value of the products and services you receive from the bank you named in Question 1. (Please circle one answer)

1. Excellent
2. Very good
3. Good
4. Fair
5. Poor

7. If a friend or relative were to ask, how likely is it that you would recommend that they bank with the bank you named in Question 1? (Please circle one answer)

1. Extremely likely
2. Very likely
3. Likely
4. Unlikely
5. Very unlikely

SECTION - XII : CONCLUSIONS

Finally, one last question.

1. Overall, how satisfied are you with Citibank ? (Please circle one answer)

1. Completely satisfied
2. Satisfied
3. Neutral
4. Dissatisfied
5. Completely dissatisfied

