



## Satisfaction Perceptions Differences of Customers of Banks in Saudi Arabia Based on Gender

Ibrahim Abdullah Aljasser<sup>1\*</sup> and Bokkasam Sasidhar<sup>1</sup>

<sup>1</sup>Quantitative Analysis Department, College of Business Administration, King Saud University, Riyadh, Kingdom of Saudi Arabia.

### Authors' contributions

*This work was carried out in collaboration between both authors. Both authors designed the study, wrote the first draft of the manuscript, managed the literature searches, and analyses of the study. Both authors read and approved the final manuscript.*

### Article Information

DOI: 10.9734/BJEMT/2015/16858

Editor(s):

(1) Polona Tominc, Department of Quantitative Economic Analysis, University of Maribor, Slovenia.

Reviewers:

(1) Sanjay Kanti Das, Department of Commerce, Gauhati University, India.

(2) Drahomira Dubska, Thematic Analyses Department, Czech Republic and University of Economics, Czech Republic.

(3) Olanrewaju Makinde Hassan, Department of Business Administration, Kogi State University, Nigeria.

Complete Peer review History: <http://www.sciencedomain.org/review-history.php?id=981&id=20&aid=8992>

Original Research Article

Received 16<sup>th</sup> February 2015

Accepted 3<sup>rd</sup> April 2015

Published 27<sup>th</sup> April 2015

### ABSTRACT

**Aims:** This study analyzes the effect of demographic factors on different modes of banking, viz., Branch Banking, On-line banking, ATM Banking and Phone Banking for both male and female customers separately. It also identifies the characteristics affecting the satisfaction perceptions of customers of banks in Saudi Arabia.

**Study Design:** This study was based on a questionnaire survey.

**Methodology:** The sampling frame for the study consisted of traditional male bank users and female women-only bank users in the Kingdom of Saudi Arabia. A total of 220 male and 279 female bank users (using women-only banks) were randomly selected and data was collected by meeting the customers face to face. The data collected were analyzed using IBM SPSS Statistics 20.

**Results:** The study revealed that male customers in lower age group have higher satisfaction with on-line, ATM and phone banking. Male customers working in public and private sectors have higher satisfaction with on-line and ATM banking. Male customers with bachelor's degree and below are more satisfied with phone banking. Male customers in higher income groups have higher satisfaction with all modes of banking. Female customers below 25 years have lesser satisfaction with phone banking.

\*Corresponding author: E-mail: [ialjasser@ksu.edu.sa](mailto:ialjasser@ksu.edu.sa);

**Conclusion:** The effects of demographic characteristics which affect different modes of banking for males using traditional banks and females using women-only banks have been brought out. This study provides the bank executives with insights into the kinds of service customers find most appropriate for their banking needs.

*Keywords: Customer satisfaction; male; female; women-only banks; traditional banks.*

## 1. INTRODUCTION

### 1.1 Background

Majority of banks in Saudi Arabia have opened women-only branches that are staffed by and catered only to female customers. Study has been carried out [1] for evaluating and comparing the satisfaction levels of customers of these two distinctly different types of banking systems. The studies have revealed that the global satisfaction level, the branch banking, ATM banking and phone banking satisfaction levels are significantly higher for females using women-only banks as compared to males using traditional banks, at 5% level of significance. The question arises whether demographic factors such as age, occupation, education level and income levels of the customers of these two distinctly different types of banks, viz., traditional banks and women-only banks, have any significant impact on their satisfaction levels. If so, it will be necessary to identify the causes for differences in satisfaction levels for different modes of banking. It is against this background that this paper tries to evaluate the finer causes of such differences in customers' satisfaction of male customers using traditional banking channels and female bankers using women-only banks in Saudi Arabia. The present study focuses on identifying the characteristics affecting different modes of banking, measuring customers' satisfaction and carrying out statistical tests of hypotheses to bring out the significant differences in customer satisfaction levels for each of the characteristics for both men using traditional banking channels and women using women-only banks in Saudi Arabia, using primary data analysis.

A number of studies have been carried out to evaluate the differences between men and women on satisfaction. Earlier studies have revealed that customer characteristics such as gender have a great impact on the level of customer satisfaction [2,3]. Similarly there are many studies which have found satisfaction to be unrelated to gender [4-7]. However many studies have found that women report greater overall

satisfaction [8]. On the other hand, there are studies that have identified men as being less satisfied [9,10]. A study of Impact of Customer Satisfaction and Demographic Factors on Customer's Loyalty in Banking Sector of Pakistan [11] revealed that there was a positive impact of demographical characteristics and customer satisfaction on customer loyalty. A Bahraini survey conducted among college students [12] specified that young customers while choosing their banks paid more attention on determinants like reputation of bank, appropriate location of branch ATM and parking area satisfaction. Banks need to be more innovative and endeavor to provide more value added services to boost the satisfaction level of customers. A study of bank customers in India [13] revealed that improving service quality can increase favorable behavioral intentions of customers. A study of banking customers of Puducherry in India using internet banking services revealed that there is no significant difference in the level of satisfaction of the respondents belonging to different age, education and occupation except income [14]. A study [15] to investigate the customer satisfaction level exposed by different demographic group of customers of Islamic Bank Bangladesh Ltd. (IBBL) identifies that customers irrespective of different demographic segments (gender, marital status, age, income level, education level and religion) are mostly satisfied with IBBL. In their study [16] on Kuwait Islamic banking customers identified that most of the customers are satisfied with their overall and personal contact with bank staff. In Malaysian Islamic banks [17], it has been found that fast and efficient service, friendliness of bank personnel, confidentiality, and transaction speed are the key criteria that leads to customer satisfaction.

Since the major banks in Saudi Arabia are operating exclusively women-only branches and since earlier studies have revealed that the global satisfaction level, the branch banking, ATM banking and phone banking satisfaction levels are significantly higher for females using women-only banks as compared to males using traditional banks. It becomes pertinent to analyze effect of demographic factors for different modes

of banking for both male and female customers separately.

## **1.2 Objectives of the Study**

The main objectives for conducting this research are:

1. To analyze the effect of demographic factors on Branch Banking, On-line banking, ATM Banking and Phone Banking for both male and female customers separately.
2. To identify the characteristics affecting different modes of banking, viz., Branch Banking, On-line Banking, ATM Banking and Phone Banking.
3. To identify the characteristics affecting the satisfaction based on the demographic characteristics for different modes of banking.
4. Providing insights to the banks regarding the critical characteristics affecting the customers' satisfaction.

## **2. METHODOLOGY**

### **2.1 Questionnaire and the Customer Satisfaction Model**

The same scales of the customer satisfaction model proposed by Ibrahim et al. [18] have been used for collecting the primary data. The model consisting of five factors – about the bank, branch banking, on-line banking, ATM banking and phone banking, was sub defined using 31 characteristics – 5 characteristics evaluating about the bank, 10 about the branch banking, 6 about on-line banking, 6 about ATM banking and 4 about phone banking, as per the perception of the respondents. A combination of both descriptive and inferential statistics has been used for data analysis.

### **2.2 Data Collection**

A questionnaire in English and Arabic was designed, which incorporated the measures mentioned in the customer satisfaction model. The questionnaire was administered to gather data from the male customers of the traditional bank users and female customers of women-only bank users in the kingdom of Saudi Arabia. The sampling frame for the study consisted of traditional male bank users and female women-only bank users in the Kingdom of Saudi Arabia.

A total of 220 male and 279 female bank users (using women-only banks) were randomly selected and data was collected by meeting the customers face to face. Thus data from 499 questionnaires were used for analysis.

## **3. DATA ANALYSIS AND FINDINGS OF THE STUDY**

The data collected were analyzed using IBM SPSS Statistics 20.

### **3.1 Respondents' Profile**

With a view to analyze the effect of demographic characteristics on the satisfaction of male and female customers, data was collected from respondents in different age groups, occupation, education and income groups. The demographic profile of the respondents together with the profiles of male and female respondents is given in Table 1.

The study of demographics of the respondents revealed that about 61% of the respondents are in the age group of 25 to 35 years. Further about 75% of the users are below the age of 35 years. About 87% are employed and about 76% of the customers were having bachelor's degree and above. The income ranges of the customers are well dispersed. The study aims at identifying the characteristics affecting the transaction mode preference and satisfaction based on the demographic characteristics.

### **3.2 Effect of Demographic Factors on Modes of Transaction**

To analyze the effect of demographic factors on Branch Banking, On-line banking, ATM Banking and Phone Banking for both male and female customers separately, the data regarding the customer priorities for different modes of banking based on various demographic factors was analyzed using chi-square tests of significance. As a sample, the differences in the gender-wise preferences for different age groups, occupations, education groups and income groups with respect to Branch banking are presented in Figs. 1 to 4, together with the results of chi-square tests. Similar graphical and inferential analyses were carried out for online banking, ATM as well as Phone banking.

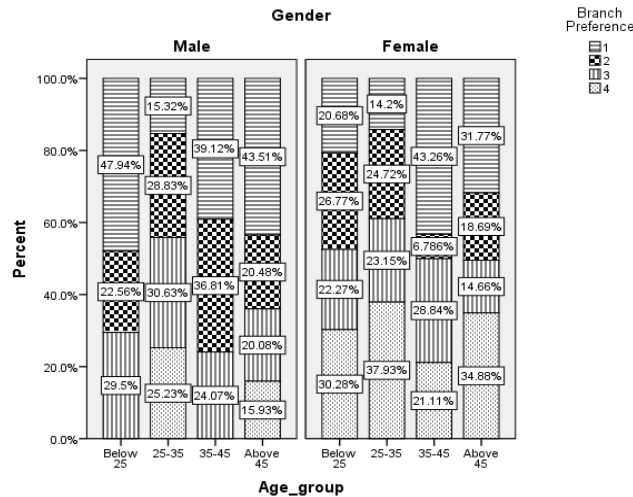
It can be observed that male customers in the age group 25 -35 years have very low priority

towards branch banking. Male customers employed in public sector have high priority for branch banking whereas the employed female customers have the lowest priority towards branch banking. Also it is noted that male customers with below bachelor's degree prefer branch banking, while customers with bachelor's degree and above, it is not their first preference. Branch banking is least preferred by female customers with bachelor's degree. With respect to income groups, branch banking is the most preferred mode for male customers in the range SAR 6000-12000.

Analysis for online banking reveals that male customers in the lower age group prefer online banking whereas it is the least preferred mode for male customers above 45 years of age. Female customers in the age group 25-35 and above 45 years of age prefer online banking. Male customers working in public or private sector prefer online banking. Further, male customers with bachelor's degree and female customers with master's degree and above prefer online banking.

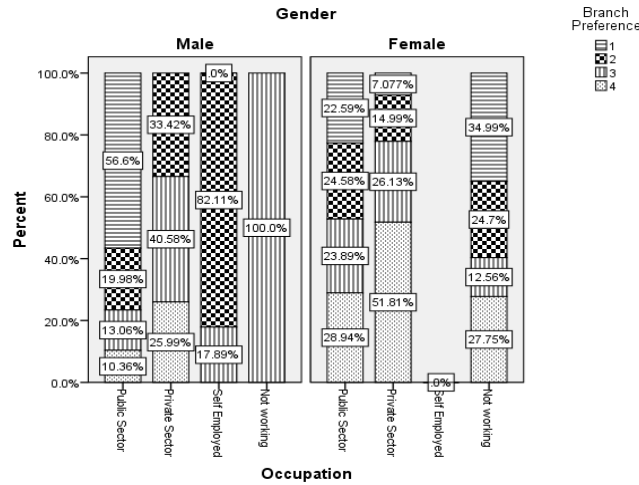
**Table 1. Demographic profile of respondents**

Variable	Category (Code)	Male	Female	Total
<b>Age Group</b>	Below 25 (A1)	28	43	71
	25-35 (A2)	124	179	303
	35-45 (A3)	36	28	64
	Above 45 (A4)	32	29	61
<b>Occupation</b>	Public Sector (O1)	80	169	249
	Private Sector (O2)	108	77	185
	Self Employed (O3)	16	0	16
	Not working (O4)	16	33	49
<b>Education</b>	Below Bachelor's Degree (E1)	68	51	119
	Bachelor's Degree (E2)	124	189	315
	Master's Degree or Above (E3)	28	39	65
<b>Income (SAR)</b>	Below 6000 (I1)	32	67	99
	6000-9000 (I2)	32	114	146
	9000-12000 (I3)	36	54	90
	12000-15000 (I4)	60	24	84
	Above 15000 (I5)	60	20	80

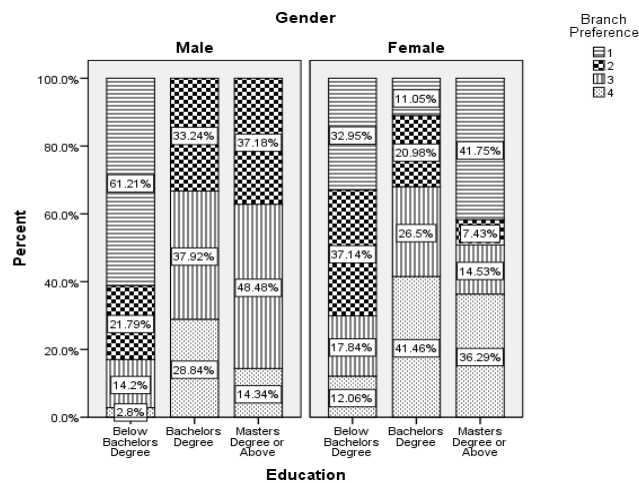


**Fig. 1. Effect of age groups on Branch Banking preferences**

Male:  $\chi^2 = 29.973$ ;  $p=0.000$ ; Female:  $\chi^2 = 11.381$ ;  $p=0.250$



**Fig. 2. Effect of occupation on Branch Banking preferences**  
 Male:  $\chi^2 = 69.772$ ;  $p = 0.000$ ; Female:  $\chi^2 = 12.908$ ;  $p = 0.045$



**Fig. 3. Effect of education on Branch Banking preferences**  
 Male:  $\chi^2 = 51.739$ ;  $p = 0.000$ ; Female:  $\chi^2 = 29.614$ ;  $p = 0.000$

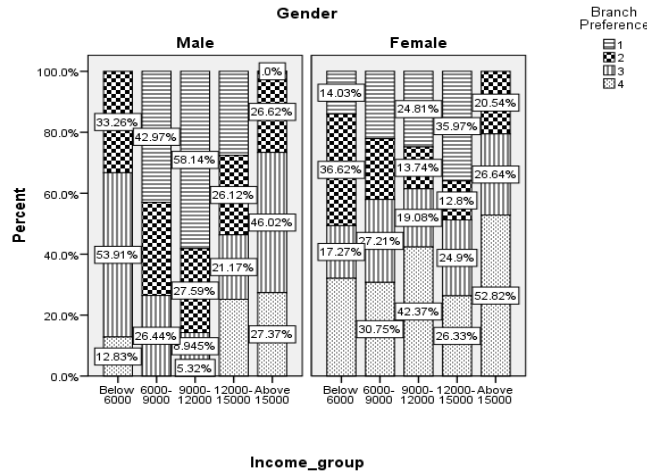
Male customers with very low as well as very high income and female customers earning SAR 9000 or more prefer online banking.

It is observed that ATM banking seems to be quite popular, being their first or second choice, among male customers as none of them have assigned least priority for ATM banking. Further, female customers with bachelor's degree and below and those earning below SAR 9000 prefer ATM banking. In contrast, Phone banking does not seem to be the preferred mode by both male and female banking customers as most customers have assigned third or fourth priority for phone banking.

### 3.3 Gender Differences in Customer Satisfaction Factors

Analysis concerning the effect of demographic factors on various modes of banking for both male and female customers was accomplished by carrying out ANOVA based on age groups, occupation groups, education levels and income groups, for both male and female customers separately. Only the significant results of analysis are shown in Table 2.

The results of Tukey HSD Post Hoc analysis with significant influence on satisfaction for various banking modes at 5% level are shown in Tables 3 to 6.



**Fig. 4. Gender-wise preferences for different income groups for Branch Banking**

Male:  $\chi^2 = 49.522$ ;  $p = 0.000$ ; Female:  $\chi^2 = 16.427$ ;  $p = 0.172$

**Table 2. Demographic factors for male and female customers with significant influence on satisfaction for various banking modes**

Demographic factor * Banking mode Satisfaction	Male		Female	
	F-statistic	Significance (two-tailed)	F-statistic	Significance (two-tailed)
Income Group * Branch	5.985	0.000	1.374	0.243
Age Group * On Line	6.974	0.000	0.156	0.926
Occupation * On Line	10.696	0.000	1.533	0.218
Income Group * On Line	4.853	0.001	0.725	0.575
Age Group * ATM	9.891	0.000	0.372	0.773
Occupation * ATM	6.377	0.000	0.418	0.659
Income Group * ATM	5.748	0.000	0.521	0.721
Age Group * Phone	3.327	0.021	2.589	0.050
Education * Phone	9.670	0.000	1.613	0.201
Income Group * Phone	5.694	0.000	1.927	0.106

**Table 3. Post Hoc Test results of multiple comparisons for age groups**

On line banking -age group		Subset for alpha = 0.05	
N		1	2
35-45	36	5.0556	
25-35	124	5.3118	
Above 45	32	5.6250	
Below 25	28		6.4048
ATM Banking -Age group		Subset for alpha = 0.05	
N		1	2
35-45	36	4.9444	
Above 45	32	5.0625	
25-35	124	5.0860	
Below 25	28		6.0952
Phone Banking-Age group		Subset for alpha = 0.05	
N		1	2
Above 45	32	3.6875	
35-45	36	4.3333	4.3333
25-35	124	4.5565	4.5565
Below 25	28		4.9286

**Table 4. Post Hoc test results of multiple comparisons for occupation**

On line Banking - Occupation	N	Subset for alpha = 0.05		
		1	2	3
Self Employed	16	4.0000		
Private Sector	108		5.4198	
Public Sector	80		5.6000	
Not working	16			6.4167
ATM Banking - Occupation	N	Subset for alpha = 0.05		
		1	2	3
Self Employed	16	4.5000		
Private Sector	108		5.1667	
Public Sector	80		5.1917	
Not working	16			6.0000

**Table 5. Post Hoc test results of multiple comparisons for education**

Phone Banking - Education	N	Subset for alpha = 0.05	
		1	2
Masters Degree or Above	28	3.2500	
Below Bachelors Degree	68		4.4118
Bachelors Degree	124		4.7258

**Table 6. Post Hoc test results of multiple comparisons for Income groups**

Branch Banking –Income group	N	Subset for alpha = 0.05		
		1	2	
9000-12000	36	4.0370		
6000-9000	32	4.0625		
Below 6000	32	4.2083		
12000-15000	60	4.3778		
Above 15000	60		5.0333	
On line Banking –Income group	N	Subset for alpha = 0.05		
		1	2	3
12000-15000	60	5.0222		
9000-12000	36	5.1667	5.1667	
6000-9000	32	5.3333	5.3333	5.3333
Above 15000	60		5.8667	5.8667
Below 6000	32			5.9375
ATM Banking –Income group	N	Subset for alpha = 0.05		
		1	2	
9000-12000	36	4.8148		
12000-15000	60	4.8889		
Above 15000	60	5.2778	5.2778	
6000-9000	32		5.5417	
Below 6000	32		5.6458	
Phone Banking –Income group	N	Subset for alpha = 0.05		
		1	2	3
6000-9000	32	3.8125		
12000-15000	60	3.9000	3.9000	
9000-12000	36	4.6111	4.6111	4.6111
Above 15000	60		4.8000	4.8000
Below 6000	32			5.2188

The Post Hoc analyses reveal that:

- Male customers in lower age group have higher satisfaction with on-line, ATM and phone banking.
- Male customers working in public and private sectors have higher satisfaction with on-line and ATM banking.
- Male customers with bachelor's degree and below are more satisfied with phone banking.
- Male customers in higher income groups have higher satisfaction with all modes of banking.
- Female customers below 25 years have lesser satisfaction with phone banking.

#### 4. SUMMARY AND CONCLUSIONS

Keeping in view the objectives of this study, the effect of demographic characteristics which affect different modes of banking for males using traditional banks and females using women-only banks, the following summarizes the results of the analysis.

Results for male customers:

- Customers employed in Public Sector; Education below Bachelors level; Income group 6000 to 12000 prefer branch banking.
- Customers in the lower age group, working in public and private sector and in higher income group prefer online banking.
- Customers mostly assigned ATM banking as their first or second choice.
- Customers mostly assigned least priority for phone banking.

Results for female customers:

- Customers with bachelor's degree assigned least priority for branch banking.
- Customers in the age group 25-35 and above 45 years as well as customers earning SAR 9000 or more prefer online banking.
- Customers with bachelor's degree and below and those earning below SAR 9000 prefer ATM banking.

The study provides the bank executives with insights into the kinds of service customers find most appropriate for their banking needs. It must be noted that this research includes only the

investigation for the customers of traditional banks and women-only banks of Saudi Arabia. Sample size limits the scope of large scale applicability of the results. Data gathered from a larger sample size may be useful to further validate the results.

#### ACKNOWLEDGMENT

This paper is supported by the Research Center at the College of Business Administration and the Deanship of Scientific Research at King Saud University, Riyadh.

#### COMPETING INTERESTS

Authors have declared that no competing interests exist.

#### REFERENCES

1. Ibrahim Abdullah Aljasser, Bokkasam Sasidhar. Gender Effect on Customer Satisfaction in Banking Sector: A Study of Banks in Saudi Arabia. *Interdisciplinary Journal of Research in Business*. 2013b; 3(5):9-15.
2. Akinyele ST, Ihinmoyan T. Effect of innovation on brand loyalty and customer satisfaction: A study of mobile phones users in Ota-Nigeria. *Journal of Management Research*. 2010;2(3):78-90.
3. Mittal V, Wagner A, Kamakura WA. Satisfaction repurchase intent and repurchase behavior: Investigating the moderating effect of customer characteristics. *Journal of Marketing Research*. 2001;38(5):131-142.
4. Akinyele ST. Customer satisfaction and service quality: Customer's re-patronage perspectives. *Global Journal of Management and Business Research*. 2010;10(6):84-91.
5. Carmel S. Satisfaction with hospitalization: A comparative analysis of three types of services. *Soc. Science Med*. 1985;21(5): 375-88.
6. Linn LS. Burn patients' evaluation of emergency department care. *Ann. Emerg. Med*. 1982;11(5):255-259.
7. Linn LS. Factors associated with patient evaluation of health care. *Milbank Memorial fund quarterly Health and Society*. 1975;53(4):531-548.
8. Bryant BE, Buller DB. Physicians communication style and patient



- satisfaction. Journal of Health Soc. Behavior. 1987;28(4):375-88.
9. Chisick MC. Satisfaction with active duty soldiers with family dental care Mil. Med. 1997;162(2):105-108.
10. Singh JA. Multifacet typology of patient satisfaction with a hospital. Journal of Health Care Market. 1990;10(4):8-21.
11. Naureen Afzal, Sahiwal Pakistan. Impact of Customer Satisfaction and Demographic Factors on Customer's Loyalty in Banking Sector of Pakistan. Middle-East Journal of Scientific Research. 2013;18(5):721-727.
12. Almossawi. Bank selection criteria employed by college students in Bahrain: an empirical analysis. Int. Journal of Bank Marketing. 2001;3(19):115-125.
13. Premraj H, Sankaralingam N. Customer Satisfaction in Indian Retail Banking – A Study with reference to Chennai. Indian Journal of Commerce & Management Studies. 2012;3(1):38-41.
14. Elangovan R, Sabitha K. Customers' perception towards internet banking services- A Study with reference to Puducherry Territory. Sankhya- International journal of Management and Technology. 2011;2(2):60-63.
15. Zahidur Rahman SM, Md. Shariful Islam, Tahmina Akter. Demographic Profile of the Customers and Their Level of Satisfaction: A Study on Islamic Bank Bangladesh Ltd. (IBBL). Research Journal of Finance and Accounting. 2013;4(11):28.
16. Othman A, Owen L. The multi dimensionality of Carter Model to measure customer service quality (SQ) in Islamic banking industry: a study in Kuwait finance house. International Journal of Islamic Financial Services, 2001;3(4):1-12.
17. Amin M, Isa Z. An examination of the relationship between perception of service quality and customer satisfaction: A SEM approach towards Malaysian Islamic banks. International Journal of Islamic Middle Eastern Finance and Management. 2008;1(3):191-192.
18. Ibrahim Abdullah Aljasser, Bokkasam Sasidhar. Customers' Satisfaction and Its Implications for Women-Only Banks in Saudi Arabia. Interdisciplinary Journal of Research in Business. 2013a;2(9):1-12.

© 2015 Aljasser and Sasidhar; This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

*Peer-review history:*

*The peer review history for this paper can be accessed here:*  
<http://www.sciencedomain.org/review-history.php?iid=981&id=20&aid=8992>