

Assessing Customer Satisfaction at XYZ Bank: A SERVQUAL-AHP Approach to Improve Service Quality

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Abstract

Competition within the banking sector is currently fierce. Competition compels banks to deliver enhanced service quality. Every Bank is vying to deliver superior service to clients. Service quality is a crucial prerequisite for enhancing and sustaining client happiness. Content consumers will offer endorsements, whilst discontented consumers will express grievances. In its 2024 annual report, XYZ Bank reported that, in conjunction with increased transaction volumes, it received a total of 22,369 complaints in 2024, representing a 13% rise of 2,526 complaints compared to the same period in 2023. This article will help companies assess their current level of customer satisfaction and identify the characteristics of service quality that require improvement. This study employed a hybrid methodology that combined SERVQUAL and AHP to derive a customer satisfaction index (CSI). Utilizing purposive sampling, 400 clients of XYZ Bank from Bandung City and six customer service professionals employed by XYZ Bank were chosen as participants. The CSI calculation results indicate that service quality achieves a moderate satisfaction level of 54.80%, with the most significant deficiency in the reliability component, succeeded by assurance, responsiveness, tangibles, and empathy dimensions. Based on Importance-Performance Analysis (IPA) and weighted gap scores, several indicators from the Reliability dimension require immediate corrective action, while indicators from the Responsiveness and Assurance dimensions need to continue improving to maintain quality. Indicators that require immediate corrective action, along with suggestions for improvement to enhance quality, will be provided. This research provides suggestions based on comparisons between complaint cases that occur and benchmark banks. The benchmark bank is a bank that has become the current market leader. It is hoped that, with these suggestions, the company will be able to increase customer satisfaction.

Keywords: customer satisfaction index, service quality, banking industries, customer satisfaction

A. INTRODUCTION

Competition is a common phenomenon in various industries, including the banking industry, in market economies (Yuan et al., 2022). The banking sector has become intensively competitive due to globalization (Ladhari et al., 2011). Competition among banks has become increasingly fierce (Yuan et al., 2022). Banks have traditionally placed a high value on customer relationships with both commercial and retail customers (Angur et al., 1999). Service quality is often regarded as a crucial prerequisite for establishing and maintaining satisfying relationships with valued customers (Lassar et al., 2000). Financial institutions must cultivate robust relationships with their clientele. When the relationship with the consumer deteriorates, they are likely to file a complaint.

In its 2024 annual report, XYZ Bank noted that, aligned with increased transaction volumes, the Bank recorded a total of 22,369 complaints in 2024, a 13% increase of 2,526 complaints compared to the same period in 2023 (Annual Report OCBK, 2024). In 2024, Bank XYZ experienced asset growth of over 12.5 per cent, although a notable surge in complaints accompanied this. Concerns over the quality of XYZ's service may also be expressed in Google reviews. There are 919 reviews from 23 XYZ outlets in Bandung, as listed on Google Maps. Every XYZ branch possesses a diverse array of reviews. Consumer reviews may consist of endorsements or grievances, including 140 one-star, 22 two-star, 48 three-star, 48 four-star, and 625 five-star evaluations. The rising volume of complaints signifies persistent discrepancies between expectations and perceptions regarding the quality of service rendered by XYZ Bank over time. The disparity jeopardizes the company's profitability.

In the banking industry, as in other service industries, providing superior service quality enhances customer satisfaction and contributes to profitability (Ladhari et al., 2011). With total assets of 281

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trillion, XYZ should be capable of addressing these grievances through the implementation of diverse tactics. Various strategies are formulated to retain customers, with the key to this being an increase in service quality level (Shanka, 2012). Given this, service quality has become a key construct in the banking industry (Angur et al., 1999). One of the most effective strategies for building positive customer relationships is understanding their needs and delivering satisfactory services comprehensively (Khan et al., 2024). However, the nature of the customer relationship is changing, particularly on the retail side of banking (Angur et al., 1999). Therefore, bank service managers need to understand how people in different countries evaluate service quality and what critical dimensions contribute to improving it (Ladhari et al., 2011).

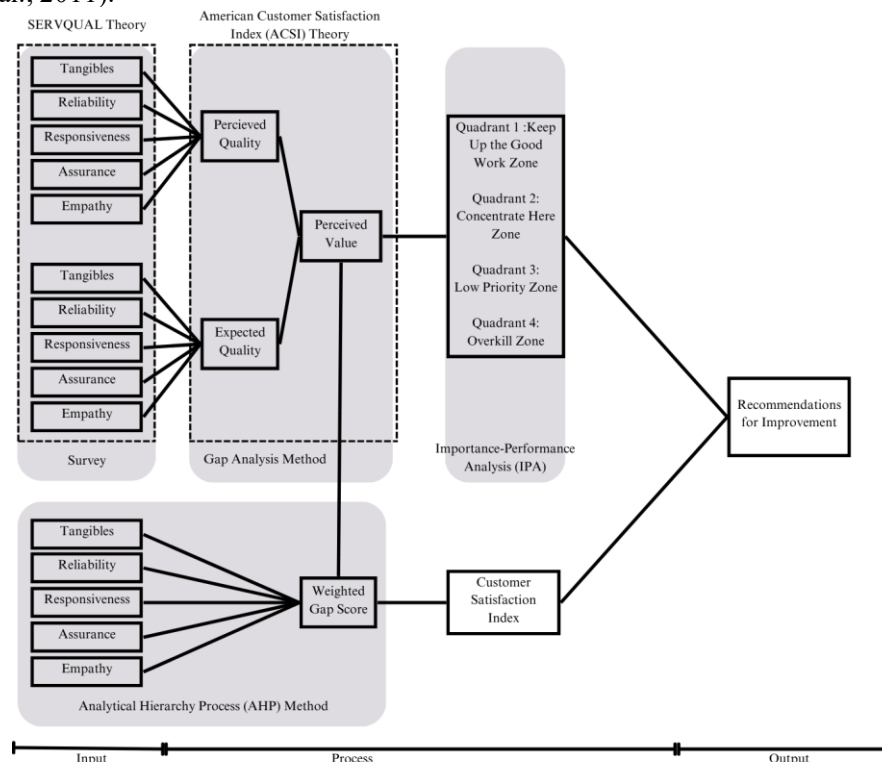


Figure 1. Conceptual Framework

Source: Research data, 2025

Understanding the influence of service quality on customer satisfaction at XYZ Bank is essential. This study seeks to detect deficiencies in service quality. This research aims to ascertain the most critical elements of service quality for clients and to determine how XYZ may enhance its services. Enhancing service quality will provide XYZ Bank with a competitive edge, thus augmenting revenues in the current market landscape. The results may provide practical recommendations for XYZ to enhance its customer service strategy and strengthen its position in the competitive banking sector. In light of the challenges and business concerns outlined in the preceding section, the following research questions are proposed:

1. RQ1: What is the current level of XYZ customer service satisfaction?
2. RQ2: What are the key dimensions of service quality that need to be improved?

B. LITERATURE REVIEW

The ACSI base model is constructed as a cause-and-effect ("causal model") with latent-factor indexes for the drivers of satisfaction on the left side (customer expectations, perceived quality, and perceived value), customer satisfaction (the ACSI index) in the centre, and consequences of satisfaction on the right side (customer complaints and customer loyalty, including customer retention and price tolerance) (Morgeson et al., 2023). The actual examination of cause-and-effect analytics involves multiple periods (Morgeson et al., 2023). These arrows represent "impacts".

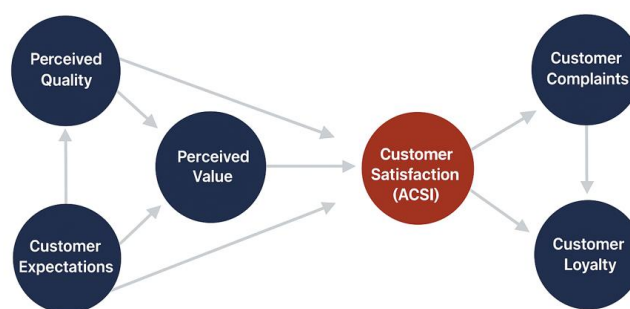


Figure 2. The ACSI Base Model

Source: Research data, 2025

By examining the indexes and impacts, researchers, managers, and other stakeholders can determine which drivers of satisfaction, if improved, would have the most significant effect on customer loyalty (Morgeson et al., 2023). Service Quality, as perceived by consumers, stems from a comparison of what they feel service firms should offer (i.e., from their expectations) with their perceptions of the performance of firms providing the services (Parasuraman et al., 2008). Perceived service quality is therefore viewed as the degree and direction of discrepancy between consumers' perceptions and expectations (Parasuraman et al., 2008). Perceived service quality is determined by the degree and direction of the discrepancy between customer perception and expectations, whereas consumer satisfaction is a cumulative assessment of whether the service provision aligns with expectations (Mason & Simmons, 2012).

The concept of SERVQUAL is based on the gap theory, which posits that customer expectations and perceptions are key factors influencing the quality of service (Alharbi et al., 2022). SERVQUAL is a model commonly used to measure service quality. SERVQUAL's five dimensions are suggested the following labels and concise definitions for the dimensions (Parasuraman et al., 2008): 1) Tangibles: Physical infrastructure, equipment, and the presentation of staff; 2) Reliability: The capacity to deliver the given service consistently and precisely; 3) Responsiveness: Readiness to assist clients and deliver timely service; 4) Assurance: The expertise and politeness of personnel, along with their capacity to engender trust and confidence; 5) Empathy: The compassionate, personalized care the firm extends to its clients.

The Analytic Hierarchy Process (AHP) is a measurement theory that relies on pairwise comparisons and derives priority scales through judgments (Saaty, 2008). The comparisons are made using a scale of absolute judgements that represents how much more one element dominates another concerning a given attribute (Saaty, 2008). The Analytic Hierarchy Process (AHP) has been employed in various settings to inform decision-making (Saaty, 2008). (Martilla and James, 1977) Developed a technique called Importance-Performance Analysis (IPA), which has become a very popular managerial tool for organizational performance development (Wardhana, 2024). This technique facilitates understanding customer satisfaction and enables the identification and prioritization of products or services that require improvement (Wardhana, 2024). According to the ACSI model, the dimensions used to measure expectations and perceptions are the five dimensions of SERVQUAL. To make decisions using AHP analysis and to select indicators that require improvement, Importance-Performance Analysis (IPA) is employed.

C. METHODS

This study employs a hybrid methodology that combines SERVQUAL and AHP models. A hybrid methodology can help assess service satisfaction as perceived by consumers. The questionnaire aims to gather information about consumer expectations and perceptions. The weight values were also provided by expert personnel through the questionnaire. The evaluation system uses a SERVQUAL dimension to create a statement. The gap analysis survey consists of 22 statements, as specified by Parasuraman et al. (2008), encompassing tangibles (4 statements), dependability (5 statements), responsiveness (4 statements), assurance (4 statements), and empathy (5 statements). The statements have been modified to

correspond with the research subject of banking services, enhancing their relevance. The Bank's service satisfaction survey statements utilize surveys that have been widely used in previous studies, such as those by Ladhari et al. (2011), Shanka (2012), and Angur et al. (1999). In the AHP analysis survey, each SERVQUAL dimension served as a basis for comparison. Each dimension was compared in pairs, omitting any pairs that included identical dimensions. The five dimensions yielded ten questions. The data collection for consumer use employs a Likert scale, whereas the data collection for expert staff utilizes a pairwise comparison scale.

The participants in this study consisted exclusively of XYZ bank clients located in Bandung, Indonesia. The author lacks data regarding the number of XYZ customers, rendering the population uncertain. This research uses a probability sampling technique. Probability sampling is a method that ensures that each element of the population has an equal chance of being chosen as a sample member (Sugiyono, 2013). The Cochran method is employed to determine the sample size, given the unknown or effectively limitless population size. It is determined that a minimum of 385 respondents is necessary for this investigation.

Surveys are used for data collection to gauge consumers' perceptions and expectations regarding XYZ. Data collection occurred both online and on-site from May 6, 2025, to May 12, 2025. The respondent is a user of XYZ Bank and resides in Bandung City. The questionnaire was disseminated by email and social media platforms, including Instagram and WhatsApp. Questionnaires were distributed directly at multiple XYZ ATMs to facilitate the acquisition of qualified respondents. The locations for data collection from direct respondents include ATM XYZ UNPAR and ATM XYZ Maranatha in the city of Bandung. Once the questionnaire was disseminated and surpassed the minimal threshold of replies, it would no longer accept more responses. The data collected comprised 400 respondents. On April 26, 2025, data was gathered through questionnaires administered to six expert employees in the secured loan officer division to ascertain the pairwise scores for the Analytic Hierarchy Process (AHP).

Upon gathering the requisite data for this study, it will undergo validity and reliability assessments. Validity and reliability assessments are employed to evaluate measurement instruments. Utilizing valid and trustworthy tools for data collection is expected to yield valid and reliable study results (Sugiyono, 2013). The technique employed in this validity assessment is the Pearson Product-Moment Correlation (also known as Item-Total Correlation). The authors will employ Cronbach's Alpha technique to assess the reliability of the data collection tool utilized in this study. The subsequent stage involves calculating the score disparity for each item. A positive gap signifies that the service surpasses expectations, whereas a negative gap denotes that the service falls short of expectations. Following the determination of the gap, the next step is to calculate the value weight for each dimension. This seeks to offer a managerial perspective on the most significant dimensions.

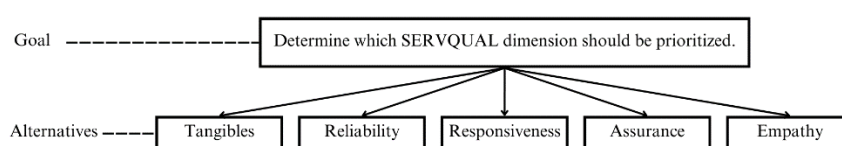


Figure 3 Decision Hierarchy to Determine Which Dimension Should be Prioritized

Source: Research data, 2025

Construct a sequence of pairwise comparison matrices. Each element at a higher level is employed to assess the elements at the level immediately below it. Establish priority weights by normalizing the pairwise comparison matrix. Utilize the Average of Normalized Columns (ANC) approach to calculate the weight vectors of evaluated components. Calculate the Maximum Eigenvalue and do a Consistency Check. The next stage entails multiplying the weight vector by the difference between perceptions and expectations to derive a Weighted Gap Score (WGS). After acquiring the gap and weight for each dimension, the next step is to calculate the customer satisfaction score. This seeks to illustrate the degree of client satisfaction.

To assess client satisfaction, it is essential to compute the Customer Satisfaction Index (CSI). The Customer Satisfaction Index (CSI) is calculated by multiplying the weight of each dimension by its corresponding perception, then dividing by the Total Gap Score (TGS). The split, based on the gap value, aims to influence the weighted perception value such that a larger gap results in a lower weighted

perception. The customer satisfaction index (CSI) value will be assessed using a scale derived from prior studies (Ramez, 2018; Alam & Mondal, 2019; Bhattacharya et al., 2023). In addition to the weighted gap score analysis, this research employs Importance-Performance Analysis (IPA) to identify indicators that necessitate prompt corrective action, calculating IPA according to the significance and efficacy levels. This study will utilize the expectation score to measure interest and the perception score to assess performance. The expectation score and perception score, measured on a Likert scale, are divided by the mean value of the respective scale. Visualizing data for each property in the matrix and categorizing attributes into IPA quadrants. Upon entering each attribute into the respective quadrants, the subsequent step is to evaluate the calculation outcomes. Evaluating calculation outcomes to discern areas requiring enhancement and those deemed satisfactory (Wardhana, 2024).

D. RESULTS AND DISCUSSION

This chapter will analyze and discuss the results of the data. The processed data will be examined to address research inquiries. This section will analyze the outcomes of data processing to identify gaps in customer satisfaction scores and determine which signs necessitate rapid corrective measures. The final section will address the implementation strategy of the proposed business solution.

Result of Data and Instrument Testing

This validity assessment will examine the data from each responder for every question using the Pearson Product-Moment Correlation method. The findings of the data validity test demonstrate that the data obtained through the questionnaire instrument are valid, as each indicator shows a Pearson Correlation Coefficient (R-count) that surpasses the R-table value. Each assertion in the instrument has an R-count value that surpasses the R-table. A total of 22 statements were used to evaluate expectancies, each demonstrating an R-count that exceeded the R-table values. Similarly, 22 statements were utilized to gauge perceptions, each also surpassing the R-table in R-count. To guarantee that the tools used in this research appropriately evaluate service quality expectations and perceptions.

In this reliability assessment, the data from each respondent for each indicator will be evaluated per dimension using Cronbach's Alpha approach. According to the table above, each question representing a dimension is deemed credible. If the α value exceeds 0.8 for each dimension of anticipation and perception, the reliability is typically considered good. The test findings indicate that the measurement instrument is acceptable and reliable. This renders the instrument utilized by researchers effective for repeating or replicating studies on the same subject using identical methodologies, hence yielding consistent data.

Service Quality Analysis Based on SERVQUAL and AHP Models

To ascertain the disparity between consumer perceptions and expectations, it is essential to delineate the gap for each indication. The average value of each indicator from all respondents is computed, and the following calculations determine the disparity between perceptions and expectations:

Table 1. Dimensions for Evaluating Service Quality and Gap Scores in Each Criterion

Dimensions	Questionnaire item	Expectatio n (E)	Perceptio n (P)	Gap Score (P - E)
Tangibles	1) The Bank has modern-looking equipment	3.94	3.22	-0.72
	2) The Bank's physical facilities are visually appealing	4.01	3.17	-0.84
	3) Employees are neat-appearing	3.92	3.20	-0.72
	4) Materials associated with the service (such as pamphlets or statements) are visually appealing	3.94	3.27	-0.67
Reliability	5) When promises to do something by a particular time, it should do so	4.02	2.57	-1.45
	6) When customers have a problem, show a sincere interest in solving it	4.02	2.55	-1.47
	7) Perform the service right the first time	4.03	2.53	-1.50
	8) Provide its services at the time it promises to do so	4.02	2.55	-1.47
	9) Insists on error-free records	4.04	2.44	-1.60
Responsiveness	10) Employees tell customers exactly when services will be performed	4.17	3.02	-1.15
	11) Employees give customers prompt service	4.11	2.95	-1.16
	12) Employees are always willing to help	4.11	2.95	-1.17

Dimensions	Questionnaire item	Expectatio n (E)	Perceptio n (P)	Gap Score (P - E)
Assurance	13)Employees are never too busy to respond to customer requests	4.11	2.92	-1.19
	14)The behaviour of employees instils confidence in customers	4.31	3.05	-1.26
	15)Customers feel safe in your transactions	4.31	3.01	-1.30
	16)Employees are consistently courteous with customers	4.30	3.00	-1.30
Empathy	17)Employees know to answer customer questions	4.32	3.03	-1.29
	18)Banks give customers individual attention	3.77	3.36	-0.41
	19)The Bank has operating hours convenient to all its customers	3.77	3.38	-0.40
	20)Bank employees give personal attention	3.77	3.38	-0.40
	21)Banks have customers' best interests at heart	3.76	3.41	-0.34
	22)Employees of the Bank understand customer-specific needs	3.82	1.74	-2.09

Source: Research data, 2025

Based on the results of the gap analysis above, a discrepancy exists between perceptions and expectations. The mean difference for the tangibles dimension is -0.74, the reliability dimension is -1.50, the responsiveness dimension is -1.17, the assurance dimension is -1.29, and the empathy dimension is -0.73. Thus, the most significant difference between perceptions and expectations lies in the reliability dimension, followed by assurance, responsiveness, tangibles, and empathy. In the tangibles dimension, the most significant gap is in indicator 2: "Bank's physical facilities are visually appealing." This indicates that consumers believe the physical facilities owned by XYZ Bank do not meet their expectations. Bank physical facilities can vary from buildings and equipment to all physical facilities used by consumers. Physical facilities and other indicators, such as modern-looking equipment, neat-looking employees, and well-organized materials related to service, all contribute to consumer comfort during transactions. In the reliability dimension, the most significant gap is in indicator 9, "Insists on error-free records." Indicating that consumers feel XYZ bank employees do not provide error-free services. Customers who want to transact with banks expect safe transactions. Bank employees must ensure consumer safety.

Apart from feeling safe, promises to do something, caring about solving consumer problems, delivering exemplary service the first time, and keeping promises, other factors also need to be considered. In the responsiveness dimension, the most significant gap is in indicator 13, "Employees never too busy to respond to customer requests." Indicating that consumers feel XYZ bank employees are too busy responding to consumer needs. Consumers who come at a cost expect their needs to be met by the company. Therefore, if employees are too busy with their personal affairs, it will make consumers feel uncared for. Consumers who are not cared for will feel disappointed because their sacrifice is not fulfilled. Just like these indicators, other indicators also need to be considered because they concern consumer sacrifice; therefore, employees must be responsive when providing services. In the assurance dimension, the most significant gap is in indicators 15, "Customers feel safe in your transactions," and 16, "Employees consistently courteous with customers." Shows that consumers do not feel safe when transacting at XYZ Bank and feel that employees are not consistently polite with customers. These feelings suggest that a sense of security and a polite attitude do not meet consumer expectations when transacting. Consumers expect to interact with friendly and knowledgeable employees, which gives them a sense of security during transactions. In the empathy dimension, the most significant gap is in indicator 22, "Employees of bank understand customer specific needs." Indicates that consumers believe employees do not understand their specific needs. Each customer has their own unique needs. Customer-specific needs are something that the company must be able to solve. In the banking world, if customer needs cannot be resolved, all the company's efforts will be in vain, and consumers will feel dissatisfied.

The Analytics Hierarchy Process (AHP) approach is used to determine the weights. Pairwise comparisons of every SERVQUAL dimension were derived from the expert questionnaire's answers as follows:

Table 1. Experts Scoring Results

Pairwise Dimensions	Respondent					
	AK	AT	SMW	TBP	NL	RFS
Tangibles/Reliability	1/6	1/6	1/5	1/5	1/5	1/4
Tangibles/Responsiveness	1/9	1/9	1/9	1/9	1/9	1/8
Tangibles/Assurance	1/7	1/8	1/8	1/8	1/7	1/9
Tangibles/Empathy	1/4	1/4	1/5	1/5	1/3	1/5
Reliability/Responsiveness	1/7	1/7	1/7	1/7	1/8	1/5
Reliability/Assurance	1/5	1/4	1/6	1/7	1/6	1/7

Pairwise Dimensions	Respondent					
	AK	AT	SMW	TBP	NL	RFS
Reliability/Empathy	1/2	1/2	1/3	1/3	1/2	1/2
Responsiveness/Assurance	3	3	2	2	3	1/3
Responsiveness/Empathy	3	3	2	2	3	3
Assurance/Empathy	2	2	3	2	2	2

Source: Research data, 2025

The comparative data was converted into a data matrix for each expert. Upon transformation into a matrix, the priority weights are derived by normalizing the pairwise comparison matrix. Employ ANC (Average of Normalized Columns) to determine the weight vector of the analyzed items. In the initial phase, the elements of each column are split by the sum of that column. Calculate the mean of each row in the normalized matrix to obtain the weight vector. Each of these phases is employed for every respondent matrix. To achieve the subsequent outcomes:

Table 2. Result of Priority Weight From Expert

	Weight (w)					
	AK	AT	SMW	TBP	NL	RFS
Tangibles	0.03	0.03	0.03	0.03	0.04	0.03
Reliability	0.10	0.10	0.08	0.08	0.09	0.08
Responsiveness	0.48	0.48	0.41	0.41	0.48	0.29
Assurance	0.25	0.25	0.32	0.30	0.26	0.44
Empathy	0.14	0.14	0.16	0.18	0.13	0.16
Total	1.00	1.00	1.00	1.00	1.00	1.00

Source: Research data, 2025

The results of the priority weight for each dimension are determined by averaging the weight vector of each respondent. The weights of the responsiveness dimension, confidence, empathy, dependability, and tangibles are 0.42, 0.30, 0.15, 0.09, and 0.03, respectively. The results showed that, according to employees, the essential characteristics that should be targeted for improvement are responsiveness, assurance, empathy, reliability, and tangibles. To confirm that the answers offered by the experts were logical and consistent, the Consistency Ratio (CR) test was done. Before computing CR, compute the largest eigenvalue $\lambda_{\max}$ first. The total computation of the Critical Ratio (CR) reveals that all judgments given by all respondents in the pairwise comparison matrix are consistent, with $CR < 0.1$. After getting the weight value of each dimension from the AHP calculation, the following is the calculation of the gap value that is multiplied by its weight:

Table 3. Result of Priority Weight from Expert & Satisfaction Index

Dimensions (1)	Weight (2)	Expectation (3)	Perception (4)	Gap Score (5) = (4) - (3)	Weighted Gap Score (6) = (2) x (5)	CSI
Tangibles	0.03	3.95	3.22	-0.74	-0.02	54.80%
Reliability	0.09	4.02	2.53	-1.50	-0.13	
Responsiveness	0.42	4.12	2.96	-1.17	-0.49	
Assurance	0.30	4.31	3.02	-1.29	-0.39	
Empathy	0.15	3.78	3.05	-0.73	-0.11	
Total	1.00	20.18	14.77	-5.41	-1.15	

Source: Research data, 2025

The weighted gap score is -1.15, and the combined gap score for all bank service dimensions is -5.41, indicating a substantial discrepancy between the perception and expectation of XYZ service quality. The negative sign in gap scores and weighted gap scores indicates that the Bank's service quality cannot fulfil the expectations of its clients. The most significant gap arises in the reliability element, suggesting that bank users are not satisfied with the ability to receive the promised service dependably and precisely. The empathy gap value, on the other hand, is negligible, suggesting that bank clients are typically less pleased with the degree of consideration and customized service the business offers them.

The reliability factor is regarded as troublesome because several concerns have been raised about the reliability provided by the Bank, notably regarding its error-free record. Complaints regarding errors are the most common complaints noted in the 2024 annual report, with 1,500 complaints linked to failed or late transactions, indicating that the transaction system still requires significant improvement and maintenance. Accordingly, additional system development is required to guarantee that the service is error-free upon initial implementation. However, the market leader in the banking industry has also created strategic alliances with third parties for specific services, such as cybersecurity and cloud services,

to boost its technical capabilities. So, the reliability dimension is critical to address because customers perceive it as not achieving their expectations.

The most significant negative weighted gap is observed in the responsiveness dimension (0.49), followed by the assurance measure (0.39), the reliability measure (0.13), the empathy measure (0.11), and the tangibles measure (0.02). The weighted scores emphasize areas requiring enhancement, contingent upon the magnitude of the disparity and the degree of focus allocated to each element. Responsiveness has the highest weighted gap score, indicating that, despite a comparatively elevated perception score, this dimension is of considerable importance and warrants prioritization for enhancement, followed by Assurance, Reliability, Empathy, and Tangibles.

The responsiveness factor is deemed troublesome, as employees believe it is vital. Employees regard responsiveness as a feature that requires development. This professional employee's perspective fits with the high level of complaints concerning responsiveness on Google Reviews. Of the 140 1-star Google Maps reviews for all XYZ branches in Bandung that the author described in the previous section on business difficulties, 38 of them complained that the service at XYZ was exceedingly slow. Most of them claimed that the queue was excessively long and the service was occasionally slow. However, the market leader in the banking business has very tight and particular time-related Standard Operating Procedures (SOPs). Therefore, the responsiveness dimension is a vital component to enhance, as it aligns with the efforts of expert personnel and the gap score between consumers' expectations and views of XYZ bank's responsiveness.

The objective of calculating the CSI is to provide a definitive numerical indication of the extent to which the service meets consumer expectations, thereby helping the firm pinpoint areas for improvement. The computation relies on a weighted average of the service quality characteristics, wherein the perception score for each dimension is multiplied by its designated weight and subsequently aggregated. The aggregate of these scores is subsequently divided by the Total Gap Score (TGS) to standardize the outcome. The CSI is ultimately represented as a percentage to reflect the total satisfaction level. The findings indicate that the customer satisfaction index stands at 54.80%, accompanied by a weighted gap score of -1.15, reflecting a moderate degree of satisfaction.

Importance-Performance Analysis (IPA)

An importance-performance analysis must be conducted to understand how each indicator performs concerning its significance. Each indication in each quadrant will be analyzed separately in this study based on its significance and performance metrics. This quadrant is divided into two axes: the horizontal axis symbolizes performance, while the vertical axis reflects importance. Expectation is a key value in this study, while perception is a performance value. The value collected from respondents is on a Likert scale of 1-5. Thus, the scale deviation is carried out to centre the data at zero. The mean expectation is subtracted from the expectation value, and the mean perception is subtracted from the perception value to obtain the scale deviation. According to the calculation, each indication is plotted in the corresponding quadrant in the figure below.

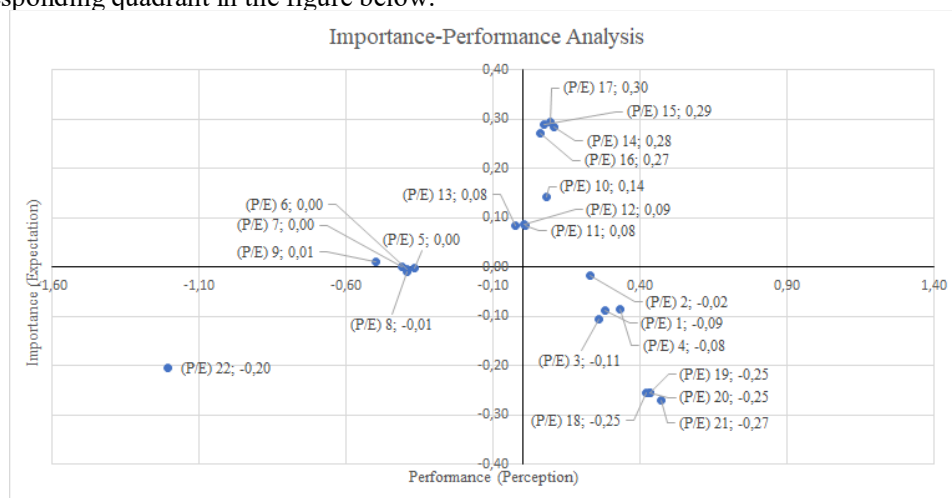


Figure 4. Location of Every Indicator on the IPA Matrix

Source: Research data, 2025

It will be evident which quadrant each indicator belongs to once it has been inserted into the plot chart. The IPA results indicate that indicators 5, 6, 7, and 9, which are dependability dimensions, are in the "Concentrate here" zone quadrant and necessitate immediate corrective action, including indicator 13. The reliability dimension has the biggest gap score. The weighted gap score reveals that the responsiveness and assurance dimensions are the most essential to expert personnel. Since the "Keep Up the Good Work" quadrant also encompasses the dimensions of certainty and responsiveness, indicators 10, 11, 12, 14, 15, 16, and 17 are crucial for maintaining the quality of these dimensions. Development proposals are grouped into three areas: SOPs and KPIs, Employee training, and Operations and systems.

Implementation Plan & Justification

This implementation plan is designed to provide direction and guidance on implementing the recommended enhancements. This implementation plan is also expected to benefit the problem owner. The retail banking division's management and staff members who interact directly with customers, such as call centre officers, tellers, personal bankers, relationship managers (RMs), and customer service officers, are the problem owners. The order of development suggestions was adjusted according to the largest gap score, as well as the "requires immediate corrective action" and "keep up the good work" quadrants of the IPA analysis and the AHP analysis. In the process of improving services, banks can develop regulations to enhance their offerings. However, creating these regulations, whether through SOPs or KPIs, requires a moderate amount of time to implement. The Risk Management, Legal & Compliance, and Operations management departments will oversee the Bank's Standard Operating Procedures (SOPs) and Key Performance Indicators (KPIs). Because the formation of an organizational culture requires clear standard operating procedures (SOPs) and key performance indicators (KPIs), creating these two elements can be beneficial. The addition of training materials can help employees understand various aspects of service quality, and incorporating such materials is undoubtedly possible. The addition of material to the training can be done as soon as possible, as XYZ Bank has often conducted training. Due to the high cost involved, operational and technological suggestions may require a significant amount of time and preparation. XYZ Bank must first be able to prepare a sufficiently large budget for technology development. Although it requires a significant amount of time and budget, the suggested strategies are still feasible. Here is the implementation plan:

Indicator	Improvement Suggestion	Gap Score	2025		2026				2027				2027			
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	SOP and KPI															
Indicator 6	A clear SOP for handling problems and a clear time to resolve them.	-1,47	Start	Finish												
Indicator 5	Implement time-focused Key Performance Indicators (KPIs).	-1,45			Start	Finish										
Indicator 15	Making SOPs in responding to customers. The procedure covers the interactions that must be done by employees.	-1,30					Start	Finish								
Indicator 16	Start by following good communication standards such as Smile, Greet, and Salute, after that make the SOP slowly become a culture.	-1,30							Start	Finish						
Indicator 14	Providing positive information while performed service	-1,26									Start	Finish				
Indicator 13	Review the job responsibilities and separating responsibilities according to their positions.	-1,19	Every Year													
Indicator 12	Create specific KPIs on when certain times are appropriate to help customers.	-1,17											Start	Finish		
	Employee Training															
Indicator 7	Train employees on specific cases that are from list of the impact and frequency (risk management).	-1,50	Every Month													
Indicator 17	Do training, fix employee's composition, do meeting in the morning, and do discussing cases or information.	-1,29	Every Day/Week													
	Operation and System															
Indicator 9	Prioritize strengthening its IT infrastructure by adopting a hybrid strategy (Internal IT personel & strategic partnership).	-1,6	Start			Finish										
Indicator 11	Calculate the customer journey. Calculate and determine the time span of services to be completed by employees.	-1,16	Every Month/Year													
Indicator 10	Create an internal communication protocol & system. If the system already exists, improve the effectiveness of the use.	-1,15					Start			Finish						

Figure 5. Implementation Plan Gantt Chart

Source: Research data, 2025

The allocation is predicated on the parties who execute the implementation in the same way. Additionally, the time has been arranged according to the quadrant that needs urgent remedial activity and the number of gaps.

E. CONCLUSIONS

Providing exceptional service quality is a crucial factor for banks to strengthen their position in the increasingly competitive banking sector. This research employs a blended technique of SERVQUAL and AHP to measure XYZ customer satisfaction, which can be utilized as a tool for stakeholder analysis. Other studies have frequently employed questionnaires to gather information on customers' expectations and perceptions of bank service quality in order to assess their satisfaction. The results suggest that customer satisfaction is moderate (54.8%), with a considerable disparity between customers' perceptions and expectations. Based on the gap score, the reliability component has the highest disparity between perceptions and expectations (-1.50). Based on the weighting given by XYZ workers, the responsiveness component (0.42) is the most essential factor to address. The responsiveness dimension (sign 13) and the reliability dimension (indicators 5, 6, 7, and 9) need quick corrective adjustment, according to XYZ clients, based on the degree of importance and performance. The dimensions of responsiveness (10, 11, 12, and 14) and assurance (16 and 17) are important to preserve the quality of these dimensions.

The contribution of this research is to aid firms in building an evaluation system to measure the level of customer satisfaction with the quality of service delivered. This research also contributes to popularising and improving the SERVQUAL-AHP technique by introducing Importance-Performance Analysis (IPA) techniques. The addition of this IPA technique can enhance the accuracy level in determining indicators that require attention. In addition to the financial and time limits, there are also other limitations. Because the study was conducted in Bandung, Indonesia, the sample population was not representative of all Indonesians, which limited its ability to reflect the issues facing the XYZ company accurately. Local bias may exist in this study because the Bandung community itself has a distinct culture and practices that may differ from those in other cities in Indonesia; therefore, the results may not be generalizable if the study were conducted elsewhere. This research is limited by scarce resources, including time, energy, and data availability, which may impact the quality of the findings.

For future research, the author proposes acquiring sources for AHP weighting from experienced staff in the management, regulatory, and/or quality assurance divisions. Other researchers can also incorporate techniques to enhance research findings, such as using sentiment analysis to validate the company's experiences, fuzzy AHP for situations with high subjectivity or uncertainty, and sub-criteria in AHP to refine weighting in decision-making.

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