



**Master Project/Thesis:**

**Effectiveness of Customer Feedback Systems used in the Banking Sector**

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## **Abstract**

The purpose of this study is to evaluate the effectiveness of customer feedback systems used in the banking sector of Georgia. The study was focused on the two major and popular banks operating in Tbilisi, Georgia, which are Bank of Georgia and TBC Bank. The significance of the study was to determine if banks are able to measure the extent of their customer's satisfaction using the customer feedback systems they have in place. It also aims to ultimately advise customer service managers how to make the necessary improvements, in order to satisfy, retain and get more customers. Emphasis is also placed on the importance of timely feedback collection and for banks to constantly evaluate their own customer feedback collection methods.

The study is qualitative in nature and was carried out through a survey using a semi structured questionnaire to interview Tbilisi based Customer Relations Managers in the two mentioned banks. Another questionnaire was also sent to bank customers, which was used to collect both qualitative and quantitative data. The customer satisfaction methods, NPS and SERVQUAL were used for collecting the quantitative data. R- Programming was used to yield descriptive statistics used to analyze the quantitative data collected from the questionnaires. The aim was to show which responses occurred more frequently, and to identify if the current feedback collection methods used by banks were effective by measuring customer satisfaction.

On analyzing the responses obtained from the survey, it was concluded that, although customer satisfaction was okay, the feedback collection methods are inadequate. The main mode of feedback collection used by banks identified was the use of telephone calls, at a later time once service has been rendered. This delay in feedback collection was a noted concern, leading to the methods used not being as effective as required.

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