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Customer's satisfaction in banking services of SBI in Ernakulam, District, Kerala

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Abstract
This paper measure the level of customer satisfaction in banking services of SBI in Ernakulam, which is the leading bank of the district. The purpose of the paper is to reveal the customers perception of the bank which would be important for the future growth of the bank. With stiff competition and advancement of technology, the service provided by banks has become more easy and convenient. Altogether around 100 customers of the bank answered the questionnaire. The study also focused on various factors that determine the customers' satisfaction like employees' behavior, banking services, banking performance, and other value added services. Analysis was made by using various tools like percentage Analysis. According to the results, the overall customer satisfaction is above average but not excellent. The bank should emphasize the importance of customer satisfaction among its employees and take further actions in order to enhance the quality of service. Employee education, customer's beneficial programs and implementation of new features are recommended.

Keywords: SBI, banking services, customer satisfaction

Introduction

The banking industry in India has undergone sea change post- independence. More recently, liberalization, the opening up of the economy in the 1990**s** and the government's decision to privatize banks by reduction in state ownership culminated in the banking reforms based on the recommendations of the Narasimham committee. The Indian banking sector is passing through a phase of customer market. The customers have more choices in the choice of their banks. This has led the Indian banking industry to experience difficult times. Customer satisfaction is one of the most important factors in business. When it comes to commercial banks, customer satisfaction level differentiates one bank from another, thus measuring customer satisfaction is exceedingly important. Banking institutions across the globe have recognized the importance of customer satisfaction and of developing and maintaining enduring relationship with their customers as two crucial parameters leading to increased business profits. At the same time, several banking institutions are experiencing increasing level of retail customer dissatisfaction. Today customers are now becoming increasingly conscious of their rights and are more demanding than ever before. The recent trends show that most of the banks are shifting from a "product –centric model" to a "customer –centric model" since customer satisfaction has become one of the major determinations of business growth. In this context, prioritization of performance and close monitoring of the customer satisfaction are indispensable. This is the reason why banks listen to customer requirements and complaints. Profitable business cannot exist without satisfied customers, especially in service-oriented industries like banks. In this highly competitive environment, studying customer satisfaction in public sector banks is really important.

This work focused on SBI which is one of the leading public sector banks in India. The main purpose of the study is to measure current customer satisfaction level regarding services offered by SBI. The research is conducted to reveal customer expectations, which are crucial for the successful growth of the bank. Because personnel influence customer satisfaction, performance of employees of the bank will also be examined. The study can be used to improve quality of service in future.

Review of Literature

Aravmudhan, V (2014), analysed the relationship among service quality, customer retention and customer satisfaction in Lakshmi Vilas Bank at Tiruchengode town. It examined whether the dimensions of service quality impacts customer satisfaction which eventually leading to customer retention. The tool like Correlation was used to analyse the relationship among service quality, customer satisfaction and customer retention. Service quality and customer satisfaction have a positive correlation with customer retention. Hence, the bank provides quality services and also highly satisfies and retains their customers. Abdul A R. (2014) evaluated the customers' satisfaction towards the banking services rendered by the SBI in Kanya kumari District. The author conducted a literature search on banking services of SBI interviewing of its 150 customers and thoroughly scrutinized how it caters to the banking needs of the inhabitants of the district. For analyzing the data tools like percentage Analysis, Chi- Square Test were used. The result showed that there is a significant relationship between the variable of customer satisfaction and banking services of the SBI and the customers have a medium level of satisfaction. The SBI could consider the researcher's suggestions in order to alleviate its reputation and customer satisfaction. Shah Minal *et al* (2013) [18] conducted to study the customer perception towards services provided by public banks using SERVQUAL model. The research has been conducted with public sector banks. Typically, customers perceive very little difference in the banking products offered by public banks dealing in services as any new offering is quickly matched by competitors. Parasuraman *et al* (1985) [15] and Zeithaml *et al* (1990) [25] noted that the key

strategy for the success and survival of any business is the deliverance of quality services to customers. Westbrook (1981) reported that overall satisfaction of the customer is the outcome of his evaluation of all set of experiences that are linked with the service provider. It also observed that organisation's emphasis on customer expectations resulted into greater satisfaction.

Objectives of the Study

- To examine the various services provided by SBI in Ernakulam District.
- To study the level of customer satisfaction towards the services provided by SBI in Ernakulam District.
- To make suggestions for improving the bank's customer services.

Research Methodology

Respondents were asked to give on different aspects of customer satisfaction towards the services provided by SBI and the questionnaire was rated with the aid of five Likert scaled subjects ranging between one and four 1=Strongly Disagree,2=Disagree, 3= unsure, 4=Agree,5= Strongly Agree. The researcher has taken (50 Male and 50 Female). There are almost 400 branches of SBI in Ernakulam district. Samples from customers of SBI from 40 branches in Ernakulam.

The primary data were analyzed with the help of percentage. A descriptive research design was adopted for the study. It accounts for both primary and secondary data. Primary source of data were collected from customers through structured interview schedule by way of personal interview. Secondary data were collected from books, journals and Websites.

Analysis and Interpretation of Data

The required data has been collected by way of a questionnaire and it has been analyzed and interpreted with the help of tables with relevant descriptions. Appropriate treatment has been done to the raw data and logical conclusions were drawn based on the findings.

Table 1: Age wise classification of Respondents

Sl. No	Particulars	Number of respondents	Percentage
1	Up to 25 Years	25	25
2	26 to 35 years	42	42
3	36 to 50 years	23	23
4	above 50 years	10	10
Total		100	100

Source: Survey Data

The above table reveals that majority of respondents fall under the age group of up to26-35 years

Table 2: Educational Qualification of Respondents

SL. No	Educational Qualification	Number of Respondents	Percentage
1	Below 10th	20	20
2	Plus two	20	20
3	Bachelor's Degree	30	30
4	Master's Degree	15	15
5	Professional Degree	15	15
Total		100	100

Source: Survey Data

The table clearly shows that majority of the respondents are educated

Table 3: Number of Transactions in a Month

SL. No	Number of transactions in a Month	Number of respondents	Percentage
1	3	42	42
2	4 to 8	23	23
3	9 to 15	22	22
4	Above 15	13	13
Total		100	100

Source: Survey Data

The above table shows that forty (42%) respondents have up to 3 transactions in a month.

Table 4: Reason to Keep Account in SBI

Sl. NO	Options	Number of respondents	Percentage
1	Customer friendly	29	29
2	convenience	31	31
3	simplicity	20	20
4	Service and scheme	20	20
Total		100	100

Source: Survey Data

Here 31 % of the customers opt SBI because of convenience, 29% opined that the bank is more customer friendly.

Table 5: Mode of dealing with Bank

Sl. No	Mode of Dealing	Number of Respondents	Percentage
1	E-banking	30	30
2	Traditional Banking	70	70
Total		100	100

Source: Survey Data

From the table it is clear that majority of the respondents use traditional banking facility.

Table 6: Customer satisfaction regarding "Debit card" product

SL. No	Particulars	1	2	3	4	5	Total
1	The convenience of obtaining a Debit card	5	10	20	40	25	100
2	The quality of information that was provided by the employees of SBI	3	7	20	45	25	100
3	The extent to which employees tried to be helpful and solve your problems	10	35	10	15	30	100

Source: Survey Data

This figure shows the customer satisfaction towards the "Debit card" service. According to the figure, all 100 customers of SBI have the debit card. 15 respondents rated the convenience of obtaining the card as 2 or lower. The highest group accounts to 40 respondents who rated it as 4 followed by 25 who chose 5. In general, customers seem to be more satisfied with the way SBI delivers debit cards to customers than dissatisfied. Likewise, the rate of satisfaction regarding the quality of information provided by the employees of SBI is also adequate. However, customers

showed slightly different opinion regarding the extent to which employees tried to be helpful. 35 people rated their performance as 2 meaning they were dissatisfied with the services of the bank.

Table 7: Customer satisfaction regarding SBI Deposit service

Sl. NO	Particulars	1	2	3	4	5	Total
1	The convenience of opening a deposit account	15	30	25	30	10	100
12	The quality of information that was provided when you opened the account	10	30	25	35	10	100
3	The extent to which employees tried to be helpful and interested in solving your problems	5	7	30	30	28	100

Source: Survey Data

Table7 shows, all 100 customers use the service. The average rate is high, with 4 being the highest number in all three categories. The figure does not show any significant point of satisfaction or dissatisfaction, which could mean that SBI has a strong and consistent model of providing the service to customers.

Table 8: Customer satisfaction regarding Loan services of SBI

Sl. NO	Particulars	1	2	3	4	5	Total
1	The loan conditions that were offered by SBI	7	10	6	6	1	30
2	The quality of information about the loan provided by SBI employees	1	4	5	12	8	30
3	The extent to which employees tried to be helpful and interested in solving your problems concerning the loan	2	7	4	11	6	30

Source: Survey Data

Table 8 shows that only 30 customers out of 100 have ever taken a loan in SBI. Even though the rates of the quality of information about the loan and the extent to which employees tried to help with the loan are high, the number for the loan conditions offered by the bank is average, which might mean that other banks have something better to offer. The figure could potentially show the weak point where SBI loses potential clients.

Table 9: Customer satisfaction regarding SBI "Credit card" product

SL. No	Particulars	1	2	3	4	5	Total
1	The convenience of obtaining a credit card	3	2	7	5	3	20
2	The quality of information that was provided to you by employees of Canara bank when you got the credit card	3	4	3	8	2	20
3	The extent to which employees tried to be helpful and interested in solving your problems concerning the credit card	1	3	4	8	4	20

Source: Survey Data

This table shows that only 20 customers have credit cards and the largest group of respondents rated the convenience of obtaining the credit card as 4(agree). In fact, the number of badly dissatisfied customers is minimal. The figure shows that there are no huge disadvantages of the product, but no huge advantages that could make customers rate the service higher as well. If the reason that makes customers ask for help leads to their dissatisfaction, it can potentially harm the company. Dissatisfied customer may choose an alternative bank in the hope of receiving better service.

Table 10: Customer satisfaction regarding Canara bank "Mobile Bank" service

SL. No	Particulars	1	2	3	4	5	Total
1	The usefulness of the service -	3	5	2	10	20	40
2	The simplicity of using the service	2	5	3	10	20	40

Source: Survey Data

Table 10 shows that 40 respondents use mobile banking service.

The largest group of customers agrees that the service is useful, with 3 being the second largest group having no opinion. Majority of the customers who use this service also agree that it is simple to use. The figure shows that respondents are satisfied with the service, they find it useful and simple to operate.

Table 11: Customer satisfaction regarding "SBI Online" services

SL No	Particulars	1	2	3	4	5	Total
1	The usefulness of the service	0	1	6	9	4	20
2	The simplicity of using the service	0	3	3	10	4	20
3	The extent to which employees tried to be helpful and interested in solving your problems concerning the services	0	2	4	9	5	20

Source: Survey Data

The above table shows that 20 respondents use the "SBI Online" service. This is the lowest rated service, 13respondents rated it as good. The respondents find the service simple, with 10 people agreed. The extent to which Employees tried to be helpful and interested in solving problems for the respondents is also higher. The service is relatively new and is inconstant development, which could mean employees are aware of the up to date changes.

Conclusions

The aim of the present study was to see the Customer's Satisfaction towards Banking Services of SBI in Ernakulam

District of Kerala. The banking sector in India is undergoing drastic changes due to the competition and new technology. The customers are looking for services to enhance his/her satisfaction. On the bright side, most respondents are satisfied with Mobile Bank and SBI Online and find it easy-to-use. Besides, most rated the accessibility of the closest SBI bank branch very high, which means surveyed customers can easily access bank services both online and offline. Respondents also replied very positively on how SBI bank employees are capable of solving client's problems and rated high the general performance of the bank. It could mean that regardless of some issues, customers are willing to do business with this bank and its services.

More than half of respondents still do not use the "SBI online" service. As a result, several big products and services of SBI are not on the high level where it could satisfy more people. Almost all respondents found accessibility of SBI bank branches highly satisfactory and the general performance was rated high. It seems like employees of the bank can satisfy the high number of customers. However, in some cases employees cannot provide all necessary information to customers. These kinds of gaps between employees and customers create a negative image of the whole company. SBI bank should study more about the issue. The results reveal that most popular services of the bank are the Debit card, Mobile Bank and the Deposit account service. Overall, these three services received good ratings from the respondents and they find the employees very helpful regarding these services. However it may vary from one branch to another. Also what is good service today become indifferent service tomorrow and bad service in next day. Frequent customer surveys may throw light on refinement which will go a long way to improve the service quality in banks.

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