



CUSTOMER SATISFACTION TOWARDS PUBLIC SECTOR BANKING SERVICES: WITH REFERENCE TO UDUPI DISTRICT

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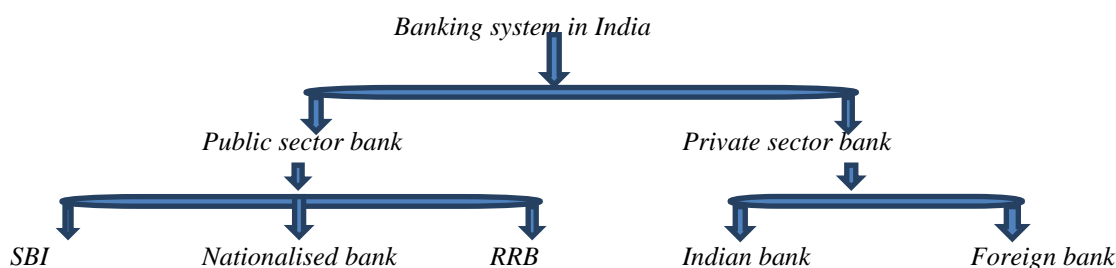
ABSTRACT

Banking services play a vital role in this era. We can observe competition in this field also as there is establishment of other financial institutions. The betterment of the bank is when they provide satisfaction to their customer. With little difference in treating the customers can make a huge difference. With the phenomenal increase in the country's population and the increased demand for banking services: speed, service quality and customer satisfaction are going to be key differentiators for bank's future success. So, now-a-days customer's are treated as king and queen. We researchers, made an attempt to study customer satisfaction towards public sectors bank with reference to Udupi district. Out of 90 respondents, approximately 80% were not satisfied with the banking service.

Keywords: Customer Satisfaction, Service Quality, Technology, Safety measures

INTRODUCTION

Money as a medium of exchange is a great invention, which helped all kind of exchanges. It is an important commodity in the functioning of the modern economy. Hence banks play a pivotal role in the financial system of India which is regulated by RESERVE BANK OF INDIA (RBI) which was established on 1st April 1935. The firm measures its success rate by the sales made by them likewise bank achieve its success by providing services to its customers which do not contain any loopholes in their services and make the customer feel secure in their banking operation which result in gaining customers trust and faith, meanwhile reaching customer's expected level of satisfaction.



At present, State Bank of Mysore, State Bank of Hyderabad, State bank of Travancore, State Bank of Bikaner and Jaipur, State Bank of Patiala all these banks merged as SBI on 1st April 2017.

OBJECTIVE

- To know the various services offered by the public sector banks.
- To know the new technology services used by customers.
- To know the level of expectation and the level of perception of the customers from the services given by the bank.
- To study the customer satisfaction towards services offered from the bank.
- To check the level of safety provided by the bank.

RESEARCH METHODOLOGY

The questionnaire was distributed by using simple random technique. This study is descriptive and analytical in nature. It is based on primary and secondary data. Secondary data was collected from books, journals, newspaper and web source. Primary data was collected by the researchers through structured questionnaire. Questionnaire given to customers consisted of 20 questions. For scaling purpose, Likert's scale was used for few questions. For analysis and interpretation, researchers used simple statistical tools like percentage and some of the relevant and interesting data are presented in tabular form and diagram, Chi-square test and Z-test were used for testing the hypothesis.

HYPOTHESIS

H₁: The customers prefer partial technology based services

H₂: The expected level of prompt attention and efficient service given by the bank to the customers.

H₃: Customer satisfied from the services rendered by the bank

SIGNIFICANCE OF THE STUDY

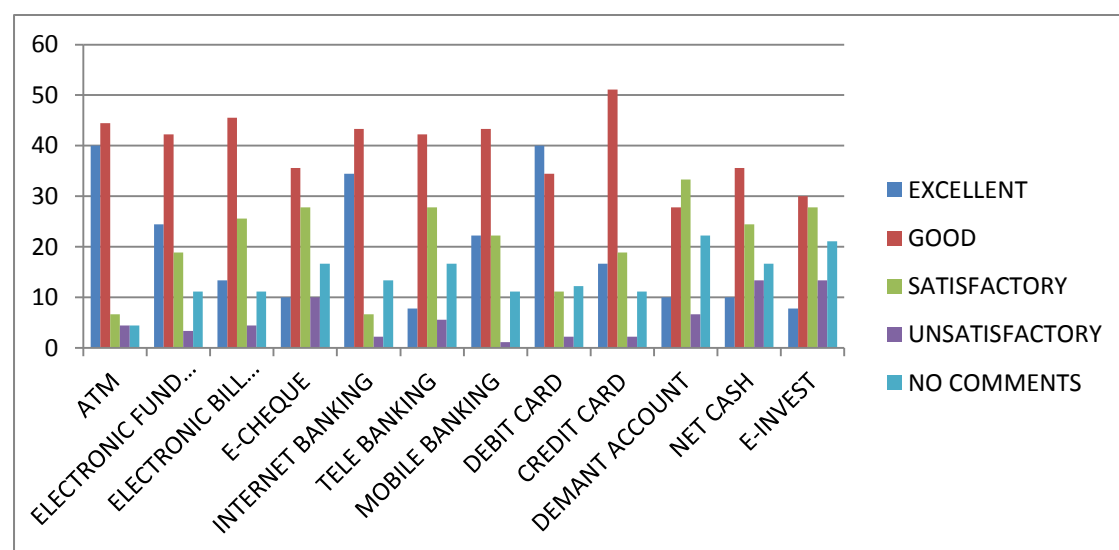
Banks alone cannot reach the peak of success unless it satisfies its customers. They need to come up with new innovative ideas which can help the bank and attain customers satisfaction.

FINDINGS OF STUDY

➤ The various services offered by the Public Sector bank

The banking industry, like many other financial service industries is facing a rapid change in market, new technologies, economic uncertainties, changing climate has presented and unpredictable set of challenges to satisfy its customers. New services are used for convenience of customers. The below table shows the customers satisfaction towards new technology and services offered by the banks.

Figure 1: Various Services Offered By Public Sector Bank



SOURCE: Field Survey Data

➤ The new technology services used by the customers

The mobile and digital transformation in the banking system has just begun and growth is already explosive. Banks are investing heavily in digital banking technology in which customers use mobile, web or digital platforms to use banking services.

Table 1: Relationship between age and use of technology

AGE	EXCELLENT	VERY GOOD	GOOD	AVERAGE	POOR	NO COMMENT	TOTAL
0 – 40	13	15	16	4	1	4	53
40 -100	3	10	12	6	1	3	37
TOTAL	16	25	28	10	2	7	90

SOURCE: Field Survey Data

Testing of Hypothesis 1:

H_0 : The new technology is not highly used by the youngsters

H_1 : The new technology is highly used by the youngsters

Z-Test

Z CALCULATED VALUE	CRITICAL VALUE	SIGNIFICANCE
-1.1385	1.165	Youngster Highly Used

SOURCE: Field Survey Data

The Z-Test for difference between the proportions reveals that there is significant increase in the new technology services offered by the bank is mostly used by the youngsters. Hence null hypothesis is rejected and alternative hypothesis is accepted.

➤ The Level of Expectations and the Level of Perception of the Customers from the Services given by the Bank

Banks are hoping that technology will allow them to deliver a faster, more transparent experience to the consumer. A large portion of their resources, however, is necessarily dedicated to security, compliance and other industries – specific requirement, features allowed non-banks –or financial services provided that are not regulated by the banking industry –to flourish, according to a 2016 report from market intelligence firm Greenwich Associates

Table 2: Level of attention and efficient services provided by bank employees

	EXCELLENT	GOOD	SATISFACTORY	UNSATISFACTORY	NO COMMENTS	TOTAL
PROMPT ATTENTION	17	42	19	7	5	90
EFFICIENT SERVICE	16	41	17	8	8	90
TOTAL	33	83	36	15	13	180

SOURCE: Field Survey Data

The above table shows that the services given by the bank employees to the customers is good but still there is a need for bank to improve in its prompt attention and efficient service every customer of their bank.

➤ The customer satisfaction towards services offered from the bank

Customer satisfaction word is highly used in business sector. In banking sector they provide service to their customer. The level of customer can also vary depending on other factor of the customer, such as different service enjoyed by customers. The working of the customers mind is a mystery which is difficult to solve and understanding the nuances of what customer satisfaction is, a challenging task. This exercise in the contest of the banking industry will give us an insight into the parameters of customers' satisfaction and their measurements.

Table 3: Customers satisfaction towards various services offered by bank

AGE	EXCELLENT	GOOD	SATISFACTORY	UNSATISFACTORY	TOTAL
20-40	12	23	16	3	54
40-60	3	10	7	0	20
60-80	0	10	5	0	15
80-100	0	1	0	0	1
TOTAL	15	44	28	3	90

SOURCE: Field Survey Data

Testing of Hypothesis 2 :

H_0 : Customers not satisfied from the services rendered by the bank

H_1 : Customers satisfied from the services rendered by the bank

Chi-square test

X ² VALUE	TABLE VALUE	SIGNIFICANCE
8.12	16.9	Customer satisfied

SOURCE: Field Survey Data

The Chi-square analysis shows that customers are not satisfied from the services offered by the bank. Hence null hypothesis is accepted and alternative hypothesis is rejected.

➤ The level of safety provided by the bank

Thanks to Technological advancements, banking has become simpler, faster and more convenient. Banks help customers enjoy convenient banking with peace of mind. Approximately 85% of customers are satisfied with the service rendered towards safety measures taken by the bank. The information showed through Pie diagram below:

Table 4: Level of safety services provided by bank

SERVICES	EXCELLENT	VERY GOOD	GOOD	AVERAGE	POOR	NO COMMENT	TOTAL
SAFETY DEPOSIT LOCKERS	14	32	34	5	1	4	90
TRAVELLERS CHEQUE	4	15	42	14	4	11	90
GIFT CHEQUE/VOUCHER	5	10	39	14	10	12	90
TOTAL	23	57	115	33	15	27	270
PERCENTAGE(%)	8.52	21.11	42.59	12.22	5.56	10	100

SOURCE: Field Survey Data

The below table explains how the traditional based services and technology based services are playing the pivotal role in the banking services towards customer. The below analysis clearly states that younger people are mostly interested i.e., 61% approximately in technology based services. Most of the people are showing their interest in technology based and expecting more changes in banking activities.

Table 5: Level of technology preferred by the customers

PREFERENCES	20-40	40-60	60-80	80-100	TOTAL
TECHNOLOGY BASED SERVICES	43	6	1	0	50
TRADITIONAL BASED SERVICES	4	3	6	0	13
PARTIALLY TECHNOLOGY & TRADITIONAL BASED SERVICES	3	7	7	1	9
NO COMMENT	5	2	2	0	9
TOTAL	55	18	16	1	90

SOURCE: Field Survey Data

Testing of Hypothesis 3:

H_0 : The customers do not prefer partial technology based services

H_1 : The customers prefer partial technology based services

Chi-Square Table

X^2 Value	Table Value	Significance
32.61	21.70	Technology based service

The chi-square analysis shows that there is a comparison between age and use of technology services. Here, null hypothesis is rejected and alternative hypothesis is accepted. Which means that the customer would like to prefer partial technology based services.

CONCLUSION

From the above analysis it is clear that customers prefer more of technology based services of which they are aware of, and there are still services which they are not informed. People in their busy schedule tend to get their work done fast and on time, along with safety services. But there are customers unsatisfied about the services given by bank employees. So minute queries among the customers with their bank such as delay, error and negligence etc.. on which the bank can work and provide efficient services to its customer. Bank can satisfy their customer by overcoming its technical problem, fixing reasonable charge for their services and paying attention towards customer who come with queries, helping one who is finding difficulty in carrying out their transaction. Unless the bank provide satisfaction to its customer in their services, bank cannot move ahead successfully.

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Website Resources

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