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A Study on Customer Satisfaction towards Banking Services Provided by SBI in Reference with Erode City

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Abstract: ***The study is conducted on the consumer satisfaction towards the services rendered by SBI. SBI is an Indian multinational, public sector banking and financial services statutory body. They have branches spread over the entire length and breadth of the country. SBI in particular is all pervasive enjoying a sprawling network of 9000 branches. It has assets to be worth of about Rs.2,22,500 crore. SBI has very conservative approach to accounting particularly when it comes to declaration of its assets. SBI enjoys a monopoly of the government business. The reserve bank of India owns about 60%of the banks equity. SBI was formed under the SBI act in 1955. With the takeover of imperial bank and amalgamation of Bank of Bengal, Bank of Bombay and Bank of Madras. SBI enjoys a pool of best managerial talent, assured government business, a country wide network of branches and strong brand credibility in the Indian market.***
Keywords: Public sector banking, Financial services, imperial bank.

I. INTRODUCTION

A. *Banking In India*

In India the banks and banking have been divided in different groups. Each group has their own benefits and limitations in their operations. They have their own dedicated target market. Some are concentrated their work in rural sector while others in both rural as well as urban. Most of them are only catering in cities and major towns. Modern banking in India originated in the last decade of the 18th century. Among the first banks were the Bank of Hindustan, which was established in 1770 and liquidated in 1829–32; and the General Bank of India, established in 1786 but failed in 1791. The largest and the oldest bank which is still in existence is the State Bank of India (S.B.I). It originated and started working as the Bank of Calcutta in mid-June 1806. The three banks were merged in 1921 to form the Imperial Bank of India, which upon India's independence, became the State Bank of India in 1955. For many years the presidency banks had acted as quasi- central banks, as did their successors, until the Reserve Bank of India was established in 1935, under the Reserve Bank of India Act, 1934. In 1960, the State Banks of India was given control of eight state-associated banks under the State Bank of India (Subsidiary Banks) Act, 1959. These are now called its associate banks. In 1969 the Indian government nationalized 14 major private banks; one of the big banks was Bank of India.

1) *Banking services by SBI:* State Bank of India (SBI) is the largest public sector banks in India. It was the first bank established in India as Bank of Calcutta in 1806. Headquartered in Mumbai, the bank has over 24,000 branches, 59,000+ ATMs and 195 foreign offices across 36 countries after the merger of its 5 associate banks and Bhartiaya Mahila Bank (as on 1st April, 2017). SBI offers a plethora of products and services such as savings account, credit cards, fixed deposits, home loan, personal loan, debit card, loan against property, car loan, gold loan and more. There are different types of accounts are maintained,

a) Savings Account
b) Fixed Account
c) Current Account Loans provided by SBI are,
d) Home loan
e) Educational loan
f) Property against loan
g) Two Wheeler loan

B. *Objectives Of Study*

1) To study the level of customer satisfaction towards the services provided by the SBI banks in erode City.
2) To identify the factors those influence the selection of SBI banking services in Erode City.
3) To examine the expectations level and the satisfaction level of the customers towards the service rendered by SBI.

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C. Scope Of The Study

1) The study is conducted on behalf of the customers of SBI.
2) The study is conducted to know the customer preference towards the choosing the services, the awareness on the various services provided by banks, the frequency of services used.
3) The study has put forward the Customers as well as acceptability behavior for the services.
4) The study defines about their satisfaction level of towards the services provided by the SBI in the selected area.

D. Research Methodology

Research methodology is the systematic method/process dealing with identifying problem, collecting facts or data, analyzing these data and reaching at certain conclusion either in the form of solutions towards the problem concerned or certain generalization for some theoretical formulation. Research methodology is about 'customer satisfaction towards the services provided by SBI in reference with Coimbatore city':- this work defines about the customer satisfaction on the services provided by SBI in reference with Erode city.

E. Data Collection

Data collection is a process of collecting information from all the relevant sources to find answers to the research problem, test the hypothesis and evaluate the outcomes. Here during this research, both primary and secondary method of data collection is used to analysis the consumers' behaviours and knowledge on the banking services in the selected area. For analysis and interpretation the tool used was Chi – Square test.

II. REVIEW OF LITERATURE

1) Aurora and Malhotra (2010) studied the level of customer satisfaction and marketing strategies in both private and public sector banks in India. It revealed six factors of customer satisfaction in public sector banks viz, routine operations, price, situational environmental technology and interaction. But in private banking sector, they found seven factors in total, having staff factors as the top ranked and situational factors as the lowest ranked items.
2) Dutta K. and Dutta A. (2010) investigated the perception of expectation of customers across all the banks in India. This study showed that customers are most satisfied with the services of foreign banks followed by private and public banks. This study suggested that Indian public banks should improve their banking services.
3) Edwin M. & Fathima S. (2011) conducted a study on the impact of service quality and customer satisfaction in commercial banks. This study shows that there is close link between the customers' perception on the service quality factor and customer satisfaction. It further showed that the impact of the service quality factor on customer satisfaction is unique. It brought the suggestion that bank managers have to formulate appropriate marketing strategies to satisfy their customers.

III. ANALYSIS AND INTREPRETATION:

A. Chisquare Analysis

TABLE 3.1

- *Hypothesis*

Level of significance =5% or 0.05
H0: There is no significance relationship between age of the respondents and frequency of operation of account.
H1:There is a significance relationship between age of the respontents & frequency of operation of account.

Age *frequency of operation cross Tabulation

	Daily	Monthly	Weekly	Total
21-40	22	27	50	99
41-60	10	8	28	46
Above 60	1	2	5	8
Below 20	11	15	24	50
Total	44	52	107	203

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Chi-square test

	Value	df	Asymp.sig. (2sided)
Pearson chi-square	3.052	6	.802
Likelihood ratio	3.214	6	.781
No .of .valid cases	203		

a.3 cells (25%)have expected count less than 5
The Minimum expected count is 1.73

- *Interpretation:* The calculated value (0.000) is less than the P value 0.05 so the alternative hypothesis is accepted. Hence it is conclude there is significant relationship between the age &frequency of operation of account by the respondents .

Table 3.2

- *Hypothesis*

Level of significance =5% or 0.05
H0: There is a no significant relationship between gender &satisfaction on banking services
H1: There is a significant relationship between gender & satisfaction on banking services

Gender *satisfaction banking services cross Tabulation

Gender	No	Yes	Total
Female	10	94	104
Male	14	85	99
Total	24	179	203

Chi- square tests

	Value	Df	Asymp.sign (2sided)	Exact sig(2sided)	Exact sig(1sided)
Pearson chi-square	.997	1	.318		
Continuity Correction	.610	1	.435		
Likelihood ratio	.999	1`	.317		
No .of .valid cases	203			.387	.218

a.0 cells (0.0%)have expected count less than 5
The Minimum expected count is 11.70
b.computed only for a 2X2table

- *Interpretation:* The calculated value (0.000) is less than the P value 0.05 so the alternative hypothesis is accepted. Hence it is conclude there is significant relationship between the gender &satisfaction on banking services

TABLE 3.3

- *Hypothesis*

Level of significance =5% or 0.05

H0: There is a no significant relationship between professional status &type of services preferred.

H1: There is a significant relationship between professional status &type of services preferred.

Professional status *type of services preferred cross

Professional status	Daily	Monthly	Weekly	Total
Employed govt	11	8	35	54
Employee	3	2	9	14
Homemaker	1	7	11	19
Retired self –	1	3	4	8
employed	14	3	19	36
Student	12	26	24	62
Unemployed	2	3	5	10
Total	44	52	107	203

Chi-square tests

	Value	df	Asymp.sign (2sided)
Pearson chi-square	27.343	12	.007
Likelihood ratio	28.475	12	.005
No .of .valid cases	203		

a.9 cells (42.9%)have expected count less than 5

The Minimum expected count is 1.73

- *Interpretation:* The calculated value (0.000) is less than the P value 0.05 so the alternative hypothesis is accepted. Hence it is conclude there is significant relationship between the professional status and type of services preferred

B. Suggestions

1) The management of the SBI should conduct more product and services awareness campaign.

2) Since majority of the customer using savings account deposits in every bank. So the bank management should think of introducing new schemes regarding savings account and marketing those to the customers.

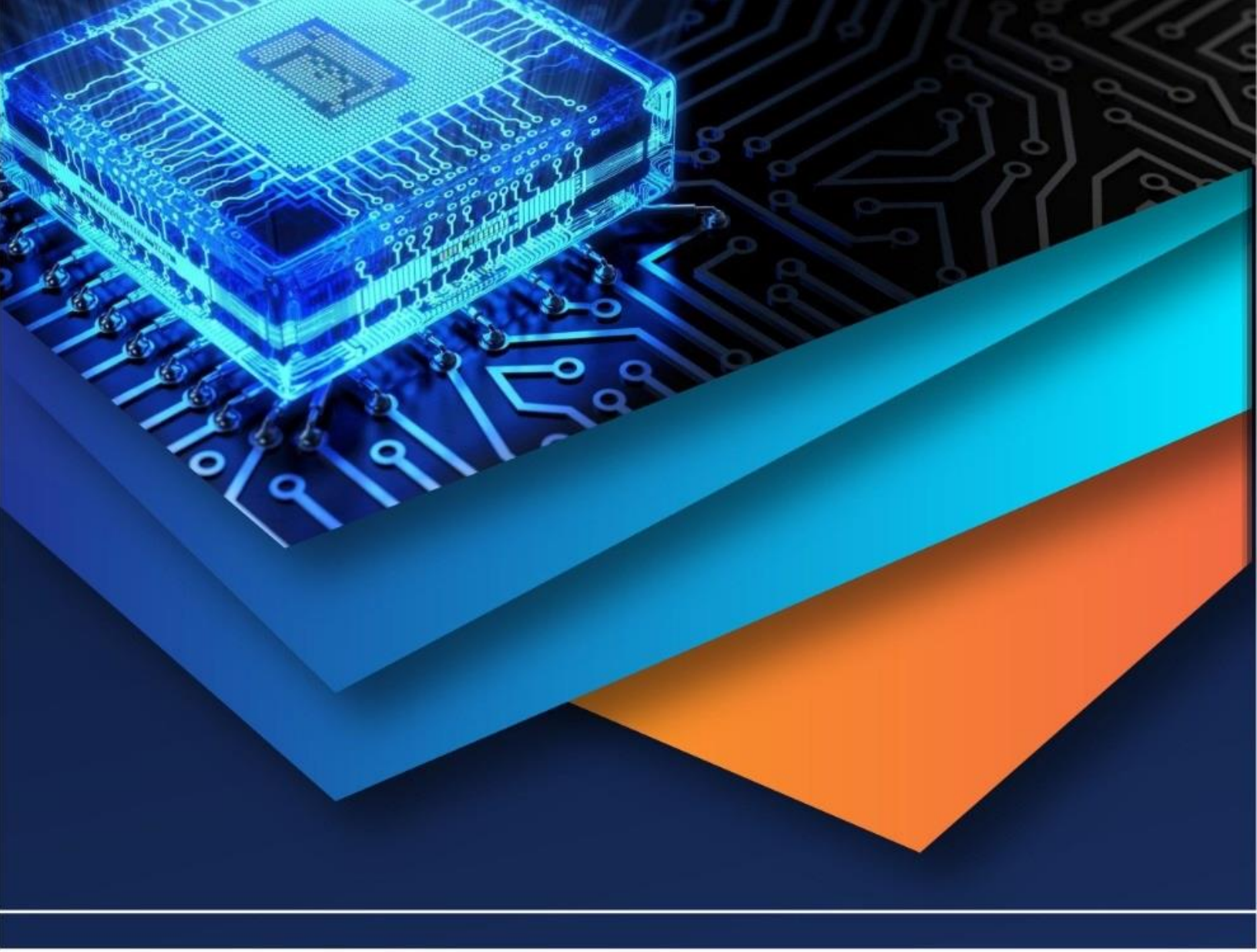
3) Advertisements of the SBI bank are very less compared to other competitors. It may lead to switching on other banks. So the SBI management should promote more advertisement through various advertisement channels.

IV. CONCLUSION

The banking sector is undergoing major changes due to competition and the advent of technology. The customers are looking for better and quality services which would enhance their satisfaction. From the above analysis, it is clear that the SBI bank caters most of the customer needs and it's has satisfied majority of its customers. SBI bank has many positive features and satisfies most of the customer needs by the services offered. In spite of this fact, it has been observed that many customers are not aware of all sorts of facilities provided by SBI.

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