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A study on customer satisfaction in banking sector with reference to State Bank of India in Hyderabad

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Abstract
A satisfied customer is worthy asset to the customer and play crucial role not only in survival but also in growth of the company, which is further very significant in services sector, particularly in banking sector. Therefore, present study focused on the assessment of 300 customer's satisfaction in case of State Bank of India in Hyderabad region. The study used survey method and well-structured questionnaire prepared by using five points Likert scale. The study found that, majority of customers are highly satisfied with deposit, withdrawn facilities, fund transfer facilities through online, customer care services, branch location and working hours, grievance redressed mechanism. On the contrary, they expressed dissatisfaction with services like out cash boards at ATM, online frauds, delay in solving issues, lengthy withdrawn facilities, technical glitches etc. Therefore, SBI bank can improve more customer satisfaction by leveraging the issues facing by the customers.

Keywords: Customer satisfaction, SBI, customer behavior

Introduction

In the emerging competitive world customer is king of the business who is ultimate treasure for the business revenue and profits. Where customer is king and his satisfaction play crucial role in sustainability and growth of the business. Business organization survival and growth is depended on the customer base and its improvement year on year. Therefore, companies run after attracting of the new customers every year on one side and retention of existing customers on the other side. In both aspects satisfying of customers is key determinant which is possible only with quality of services and timely. To speak relatively customer satisfaction play key role in service sector as compared to manufacturing sector. Thus, banking sector is also one of them. Before, economic reforms in India, there was dominance of public sector banks only, later on, as part of economic reforms private banks and foreign banks stood as competitors with innovative products and services. This pose new challenges to the existing public sector banks in India. In the circumstances public banks also started improving their services and be competitive to the new players. The customer satisfaction is generally determined by the infrastructure facilities, employee behavior, products variety, price ranges, services provided, grievances redressed etc. However, still now as compared to private and foreign players the services and customer satisfaction on them in public sectors banks are not much improved to higher level. Therefore, present study emphasize on the customer satisfaction in banking sector by taking largest public sector i.e. State Bank of India in Hyderabad of Telangana State.

Review of Literature

Jyoti Anandrao Chougale and Ali (2023) [1] measured the customer satisfaction with quality of services offered by the banks in banking sectors. The study found that quality of services directly affects the customer satisfaction. The study found that SERVEQUAL is very suitable approach towards measuring quality of services. The study found that, improved service quality to maximize customer satisfaction or delight as well as prepare better technique for providing better services to the customers and to develop new service quality instrument for accurate results for measuring service quality. Most important thing is to concentrate on element of marketing mix.

Dr. M Geeta & Dr. C. Naga (2021) [2] investigated regarding empirical study of Service Quality in Indian Banks. The study examined that service quality in Banking Sector was measured on SERVQUAL Model & Marketing Mix Scale. The researchers revealed that there is a great need of improvement of services to be rendered by Indian Banks to sustain in Indian Market. (10)

Jyoti & Subodh Kesharwani (2020) [5] studied E-Service Quality in Banking Industrywith inclusion of new edge technologies such as artificial intelligence, machine learning, data analytics, deep learning, etc. banking institutions are setting the new consumer expectations. The study found that, E-Service quality to impact the customers satisfaction in banking sector are found to be reliability, efficiency, responsiveness, ease of use, security, website aesthetic, credibility and personalization.

T.S.Kumar (2020) [3], examined the quality of banking service from customer perspective in the Indusind bank in Vadalur Town. The study is descriptive and explorative in nature and adopted ANOVA one way and chi-square tests. Besides, the study also focused on the customer satisfaction towards services offered by the bank. The sample size is 100. The study found moderate level of satisfaction among the customers towards services of the banks. The study found that, employee behavior, banking services and banking performance are major determinants of customer satisfaction.

Swain B.K. (2019) [4] made an attempt towards constitution of an index to measure the customer services and formulation operational policies accordingly. The model is named as customer services index model (CSI). The study covered the customers and branches of rural, semi-urban, urban and metropolitan areas. The index constitutes ten parameters such as general facilities, savings and current accounts, term deposits, collection services, remittances, cash transactions, bills & non-fund business, credit related services, custodial and other miscellaneous services. The study found that, in any segment only technology based services with absence of human touch in customer services causes' very poor customer satisfaction.

Prof. Ranjith P V (2019) [6] revealed that significance of service quality in Banking Sector in India. The study used SERVQUAL and BSQ questionnaire model to understand the important parameters for service quality in banks and to classify the respondents based on perception. The study endeavoured towards leveraging of number of statements for service quality and to formulate a questionnaire for studying service quality from customer point of view.

Research Gap
In banking sector satisfaction of the customer is very significant in retention of existing and attracting of new customers. The customer satisfaction is a qualitative aspect determined by the infrastructure facilities, staff behaviour, technical support, grievance redressed etc. In general, highly satisfied customer is considered as worthy assets to the company and play significant role in survival and growth of the business. The above literature has focused on the different aspects of the customer behaviour, service quality, factors determine customer satisfaction, banks performance etc. But, no study has focused on the measurement of customer satisfaction of State of Bank of India in Hyderabad district of Telangana, which is fulfilling by the present study.

Significance of the Present Study
The present study is very relevant from the company point of view to measure how customers are satisfied with its services and find out improvement areas. The outcome of the study helps in better improvement in operations, customer dealings, policy making and service improvement. The study has focused on the SBI customers and their satisfaction in Hyderabad region of Telangana State. The outcome of the study makes the SBI more competitive in the industry.

Objectives of the study:
- To study the customer satisfaction with off line services offered by the SBI
- To measure the customer satisfaction on online services offered by the SBI
- To assess the customer satisfaction on grievances redressed services of SBI
- To reveal the overall customer satisfaction on the SBI services

Hypothesis
H_1: Therefore significant difference within and between customers satisfaction of SBI

H_0: Therefore insignificant difference within and between customers satisfaction of SBI

Research Methodology
Present study is explorative research study in nature. Present study investigate the satisfaction of the customers of State Bank of India in Hyderabad region. The sample size consists of 300 customers selected by using simple random and purposive sampling methods. The study used percentage, averages, cumulative frequency statistics, ANOV and Cronbach's Alpha tests. The study used both primary and secondary data. The secondary data is collected from the previous research articles, business magazines, thesis, research reports which are already published. The study designed well-structured questionnaire and collected primary data from the selected customers. The study used SPSS software for data analysis.

Data Analysis and Interpretation

Table 1: Demographic Profile of the Customers

		Frequency	Percentage	Cumulative
Gender	Male	165	55	55
	Female	135	45	100
Age of the customers	15-25	112	37.33	37.33
	26-35	84	28	65.33
	36-45	66	22	87.33
	Above 45	38	12.66	100
Occupation	Government employees	98	32.0	32
	Private employees	66	24.0	56
	Students	52	19.33	75.33
	Business	84	24.67	100
Income of the Respondent	Less than Rs 50000	92	30.67	30.67
	Rs 50001 to Rs 100000	96	32.0	62.67
	Rs 100001 to Rs 200000	78	26.0	88.67
	Above Rs200000	34	11.33	100
Type of bank account	Savings	64	21.33	21.33
	Salary	106	35.33	56.66
	Zero Balance	98	32.67	89.33
	Money deposit	32	10.67	100
Type of transaction by users	Money deposit	300	100	
	Money withdraw	300	100	
	Online banking	220	73.33	
	ATM	253	84.33	
	Mobile banking	196	65.33	
	others	78	26	

Source: Field Study

In the present study, gender of the customers is divided into two categories Male and Female. In this 55 percent of customers is Male and 45 percent of customers is Female. Similarly, 37.33 percent of customers is in the age group of 15.-25 years, 28 percent of customer’s age is 26.-35 years, 22 percent of customer’s age is 36-45 years, 12.66 percent of customers is above 45 years. Similarly, 32 percent of customers is group of Government employees, 24 percent of customers is private employees, 19.33 percent of customers is self-employed and 24.67 percent of customers is business has occupation. In the same line, 30.67 percent of customers using phone less than Rs 50000, 32 percent of customers using phone cost between Rs 50001 to Rs 100000, 26 percent of customers are suing phone in the cost of Rs 100001 to Rs 200000 and 11.33 percent of customers using phone above the cost of Rs 200000. In the study 21.33 percent of customers have savings ccount,35.33 percent of customers have salary account, 32.67 percent of customers zero balance account and 10.67 percent of customers have current account for business transactions. Finally, in the study 100 percent of customers using money deposit services, 100 percent of customers using money withdraw, 73.33 percent of customers using online banking, 84.33 percent using ATM and 65.33 percent using mobile banking services and 26 percent using other services.

Table 2: Customer Satisfaction on Sbi Baking Services

0	Statement	5	4	3	2	1	Total
01	I am satisfied with the basic facilities deposit and withdrawing facilities of SBI	120 (40)	65 (21.6)	65 (21.6)	26 (8.67)	24 (8)	300 (100)
02	I am satisfied with the ATM services of the SBI	69 (23)	82 (27.3)	65 (21.6)	42 (14)	42 (14)	300 (100)
03	I am satisfied with the with customer care services providing by SBI	82 (27.3)	64 (21.3)	72 (24)	43 (14.3)	39 (13)	300 (100)
04	I am satisfied with the online banking services of SBI	69 (23)	65 (21.67)	72 (24)	42 (14)	52 (17.3)	300 (100)
05	I am satisfied with the mobile banking services of SBI	53 (17.6)	82 (27.3)	95 (31.6)	28 (9.33)	42 (14)	300 (100)
06	I am satisfied with the bank employees treatment with customers in SBI	92 (30.6)	58 (19.33)	66 (22)	60 (20)	24 (8)	300 (100)
07	I am satisfied with the facilities available at bank branches	89 (29.6)	95 (31.7)	67 (19)	29 (9.67)	30 (10)	300 (100)
08	I am satisfied with built in security provision of banking services	69 (23.3)	49 (16.3)	65 (21.6)	85 (28.3)	32 (10.6)	300 (100)
09	I am satisfied with the grievance redressed mechanism in banking sector	102 (34)	85 (28.33)	64 (21.3)	37 (12.3)	12 (4)	300 (100)
10	I am satisfied with the banks ombudsmen scheme	95 (31.7)	89 (29.67)	72 (24)	29 (9.67)	15 (5)	300 (100)
11	Do You Recommend your you bank to your family members, friends and relatives (%)				Yes (95)	No (5)	100

Source: Field Study

5: highly Satisfied 4: Satisfied 3: Neutral 2: Dissatisfied 1: Highly dissatisfied

Data Reliability and Validity Test
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.892	.887	17

Cronbach’s alpha technique is used to assess the reliability, or internal consistency, of a set of scale or test items. The results of the test will be in range from (α) 0 to 1. If α = 0, it indicates independency of all scale items one with another where α = 1 indicates entire dependency of all scale items and high covariance. Therefore, increasing the value indicates high reliability. In general, suggestible Cronbach alpha reliability coefficient level is .980. In the present study reliability test results is .983 which is higher than standard acceptable level of 0.70, this indicates high reliability and consistency of data and fit of ANOVA.

Anova

Source of Variation	SS	df	MS	F	P-value	F crit
Rows	6893.981	249	19.72201	25.97611	0	1.13299
Columns	881.0286	16	60.07347	121.6567	0	1.693794
Total	11027.31	5249				

The analysis reveals that, in this case the Sig value is 0.000 which is less than 0.05 so we reject the null Hypothesis and accept alternative Hypothesis and conclude that “There is significant variation within and between customer satisfactions in SBI customers in Hyderabad.

Findings of the Study

1. In the present study, 40 percent of customer’s highly satisfied 21.67 percent of customer’s satisfied with deposit and withdrawing facilities offering by SBI . 21.65 percent of customer’s took neutral status to the statement, 8.67 percent of customers are disagreed to the statement, 8 percent of customer’s strongly disagreed to statement. This attributable to the business people regarding restriction on number and size of amount and technical glitches.
2. In the present study, 23 percent of customer’s highly satisfied on ATM services. 27.33 percent of customer’s are satisfied on ATM services due to availability of 24/7 services and ready cash. 21.67 percent of customer’s took neutral status to the statement,14 percent of customers are disagreed to the statement, 14 percent of customer’s strongly disagreed to statement due to non-availability of sufficient cash in ATMs, disbursal issues, out cash boards at ATMs.
3. In the present study, 27.33 percent of customer’s highly satisfied on customer care services 21.33 percent of customer’s satisfied due to availability of 24/7 customer care services, communication of customer care staff and problem solving process and time. However, 24 percent of customer’s took neutral status to the statement, 14.33 percent of customers are disagreed to the statement, 13

percent of customer's strongly disagreed to statement due to language problems, different numbers for different issues, non-solving issue in time.

4. In the present study, 23.00 percent of customer's highly satisfied on online banking services .21.67 percent of customer's are satisfied to the statement, due to fast and accurate transactions. 24 percent of customer's took neutral status to the statement, 14 percent of customers are dissatisfied to the statement, 17.33 percent of customer's strongly dissatisfied to statement due to security issues, online frauds and technical issues.

5. In the present study, 17.67 percent of customer's satisfied on mobile banking servies. 27.33 percent of customer's agreed to the statement. 31.67 percent of customer's took neutral status to the statement, 9.33 percent of customers are disagreed to the statement, 14 percent of customer's strongly disagreed to statement.

6. In the present study, 30.67 percent of customer's high satisfied with bank treatment with customers. 19.33 percent of customer's satisfied. 22 percent of customer's took neutral status to the statement, 20 percent of customers are disagreed to the statement, eight percent of customer's strongly disagreed to statement.

7. In the present study, 29.60 percent of customer's highly satisfied on facilities available at bank branches, 31.7 percent of customer's is satisfied due to flexibility and distance of branches. 19 percent of customer's took neutral status to the statement, 9.67 percent of customers are disagreed to the statement, 10 percent of customer's highly dissatisfied due to limited time of branches and insufficient staff, poor knowledge staff etc.

8. In the present study, 23.3 percent of customer's satisfied on built in security provision of banking services.16.33 percent of customer's agreed to the statement. 21.67percent of customer's took neutral status to the statement, 28.33 percent of customers are disagreed to the statement, 10.67 percent of customer's strongly disagreed to statement.

9. In the present study, 34 percent of customer's satisfied on grievance redressed mechanism. 28.33 percent of customer's satisfied owing to fast and accurate mechanism of solving grienvances. 21.33 percent of customer's took neutral status to the statement, 12.33 percent of customers are disagreed to the statement, 4 percent of customer's strongly disagreed to statement due to non-solving of some issues regarding money settlement on online frauds.

10. In the present study, 31.67 percent of customer's satisfied on banks ombudsmen scheme. 29.67percent of customer's satisfied due to having complaint authority helps solving issues fast. 24 percent of customer's took neutral status to the statement, 9.67 percent of customers are disagreed to the statement, 5 percent of customer's dissatisfied with lengthy process and time limit to solve the issue.

11. In the present study, 95 percent of customers said "Yes" for recommending their bank to others such as family members, friends and relatives etc, in contrast only 18.67 expressed "No" due to their bad experience. This indicates 95 percent of customers are highly happy with SBI bank services.

Conclusion

Customer is a king of the business as said by the Mahatma Gandhi and customer is our purpose of the business. The satisfied customers is worthy asset to the customer and play crucial role in survival and growth of the company, which is further very significant in services sector, particularly in banking sector. Therefore, customer satisfaction on the services should be assessed and outcome helps in improvement of our services. Therefore, present study focused on the assessment of customer satisfaction in case of SBI Company. The study found that, majority of customers are highly satisfied with deposit, withdrawn facilities, fund transfer facilties through online, customer care services, branch location and working hours, grievance redressed mechanism. On the contrary, they expressed dissatisfaction with services like out cash boards at ATM, online frauds, delay in solving issues, lengthy withdrawn facilities, technical glitches etc. Therefore, SBI bank can improve more customer satisfaction by leveraging the issues facing by the customers.

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