

A COMPARATIVE STUDY ON CUSTOMERS' SATISFACTION TOWARDS THE SERVICES OF ICICI BANK AND STATE BANK OF INDIA WITH SPECIAL REFERANCE TO MUMBAI CITY (MULLUND)

Dr.S.Rajendran

Assistant professor, PG & Research Department of Commerce, Govt. Arts College, Paramakudi 623707

Anam Piyush Kumar Govindji

Research Scholar, Alagappa university , karaikudi, Tamilnadu.

Abstract

This study aims to investigate, to analyze customer satisfaction and its determinants of the Services of ICICI Bank and State Bank of India with Special Reference to Mumbai City (Mullund). Customer satisfaction is a marketing term that measures how products or services supplied by a company meet or surpass a customer's expectation. Customer satisfaction is important because it provides marketers and business owners with a metric that they can use to manage and improve their businesses. In a survey of nearly 200 senior marketing managers, 71 percent responded that they found a customer satisfaction metric very useful in managing and monitoring their businesses. Bank managers are recommended to formulate operations and marketing strategies that focus on desires of customers to enhance level of satisfaction.

Keywords: *Marketing Managers, Formulate Operations, Marketing Strategies, and Desires Of Customers, Customer Satisfaction And Banking Industry.*

Introduction

Customer satisfaction towards the services in banks is a significant concept the competition among banks makes them provide best services to the customers. In a competitive environment, it assumes not only greater importance to win the new customers, but to retain the existing customer base also. It is much more profitable and cost effective to retain the customers rather than getting new customers. A successful bank in future will be the one that excel in customer excel in customer a range of services and products and does continuous exercise in providing better service.

ICICI banks and SBI bank cannot exist without customers. The banks exist to serve customers and not vice - versa. A customer looks for certain values like product quality ,reliability , superior service , state-of -the- art technology, lower-cost ,a premium image and the like while purchasing anything. In a service sector like bank, customer service is not only a critical function, but a way of life also.

Statement of the Problem

ICICI banks and SBI banks have universally been emphasizing the need for corrective steps like observance of time discipline in the matter of encashment of cheques, collection of outstation cheques, appraisal of credit proposals such as the endeavors, however, appear to be principally restricted to over- the -counter service and time- denominated activities. Beyond a pale of doubt, these are important and they hit the customers immediately and adversely, if these services are not for their satisfaction.

As the regime of directed policies for ICICI and SBI banks will come to in near future, they have to gear themselves the market fundamentals, be it for fixing interest rates for depositing and lending or for offering various banking and non-banking services for their customers perhaps one of the major determinant SBI banks operation will be the quality of services they can provide to its customers. Like other rationalized and private banks, SBI banks have also to take necessary steps to improve the services to the customers. the challenges before the ICICI bank and SBI banks in India to generate a high degree of customer satisfaction and sustain it. To achieve this success, focus must shift from internal operations and from business to customer satisfaction and the external environment.

To bring about such transformation a massive effort is called for this view, it was felt that collection of the views of customers of ICICI bank and SBI banks Mumbai would be helpful to indicate directions towards the ICICI bank . SBI banks should move in reorienting itself to move with time.

Objective of the Study

1. To bring out the profile of the ICICI bank and SBI.
2. To analyze the factors influencing the overall customers' satisfaction towards the services.
3. To give suitable suggestions based on the findings of the study.

Methodology

The study is based on the data collected through personal contacts and discussions with customers in Mumbai ICICI and SBI and the study also includes information collected through an interview schedule, personally collected by the researcher from the customers of the Mumbai ICICI Bank SBI Bank.

Sampling Design

Since the design aims o examine customers satisfaction towards the services and facilities provided by the Mumbai bank and SBI of India, the customers were selected purposively by the Researcher for administering interview schedule. A sample of 60

customers of ICICI and 60 customers of SBI were selected by the following the simple Random sampling procedure by giving due representation to each cadre of customers in the Mumbai ICICI bank SBI were selected for the study. The perceptions of the 60 customers of the Mumbai ICICI bank and 60 customers of the SBI have been assessed on the basis of the primary data collected from them.

Tools for Analysis

The profile of the customers has been studied in terms of age, level of education , occupation and income. Secondly the opinion of customers satisfaction about services rendered by the Mumbai ICICI bank SBI has been studied in terms of speed , timing, accuracy, behavior of bank personnel and the like. All variables were interpreted with the help of mean and standard deviation and Ranking techniques.

Customer Opinion

The Researcher measured the level of satisfaction of customers with the help a five points scale. In the study unit fifteen major points have been identified to measure the satisfaction of customers' towards the services of ICICI bank and SBI Mumbai. These fifteen major points provide the basis for measuring the satisfaction of customers.

Table 1: Opinion of the Customer's Satisfaction towards the Services rendered by the ICICI and SBI Bank

Score	Strongly Agree	Agree	No opinion	Disagree	Strongly Agree
Score for statement	5	4	3	2	1

Table 1 shows that the level of satisfaction of a respondent was measured in the following way. The customers were classified into three categories namely those having high-level opinion, medium level opinion and low level opinion towards management of bank.

Table 2 and 3 shows the opinion on customers satisfaction with respect to ICICI bank and SBI Bank:

Table 2: Opinion on Customers' Satisfaction with ICICI Bank

S.No	Statement	H.S.	S.	N.O.	D.S	H.D.S.
1	The bank provides services needed by the customer	39	19	2	--	--
2	In the case of urgency personal cheques is encashed even after business hours	19	20	18	3	--
3	Charges levied for bank services are high	11	18	29	1	1
4	In sanctioning loan the bank follows the policy of "first come first services	26	13	18	3	--
5	I have no change to complained about the poor services of the bank	14	22	18	3	3
6	There is personal involvement of employees whenever approached by the customers for help	17	15	22	6	--
7	Rate of interest on loan is available	21	17	19	2	1
8	The administration of this bank is effective	22	20	16	2	--
9	Working hours is convenient to the customers	14	25	15	5	1
10	The bank services are upto the satisfaction of the customers	23	20	14	3	--
11	Problem of the customers are quickly Solved	21	23	12	4	--
12	Suggestions of the customers about the services	16	18	20	3	3
13	Adequate safety and security services are given to its customers	13	24	19	3	1
14	New services are offered by the bank to it's customers	23	18	18	--	1
15	The customers satisfaction in entries made by it in the pass book	20	23	17	--	--

Source: Primary data

From table 2, it is clear that arithmetic mean (\bar{x}) and standard deviation of the total opinion scores of 60 respondents were computed. Scores above (Mean + standard deviation) were considered to be of high level opinion scores below (mean-standard deviation) treated as low level opinion scores in between (mean -standard deviation) and (mean + standard deviation) were considered to be of medium level opinion.

Arithmetic mean score was 59 and Standard deviation score was 4.

Respondents whose opinion score was above 63(59+4) were considered as having high level opinion and those whose opinion score was below 55(59-4) were considered as having low level opinion and the respondents whose opinion score was in between 55 and 63 were classified as having medium-term level opinion.

Table 3: Opinion of customers on with satisfaction with SBI

S.No	Statement	H.S.	S.	N.O.	D.S	H.D.S.
1	The bank provides services needed by the customer	37	16	7	--	--
2	In the case of urgency personal cheques is encashed even after business hours	19	33	8	--	--
3	Charges levied for bank services are high	14	18	27	--	1
4	In sanctioning loan the bank follows the policy of "first come first services	26	17	11	6	--
5	I have no change to complained about the poor services of the bank	24	20	12	2	2
6	There is personal involvement of employees whenever approached by the customers for help	19	20	14	7	--
7	Rate of interest on loan is available	22	26	11	1	--
8	The administration of this bank is effective	21	22	12	5	--
9	Working hours is convenient to the customers	18	22	13	5	2
10	The bank services are upto the satisfaction of the customers	16	27	14	2	1
11	Problem of the customers are quickly Solved	19	15	19	7	--
12	Suggestions of the customers about the services	18	13	19	7	--
13	Adequate safety and security services are given to its customer	15	24	13	7	1
14	New service offered by the bank to it's customers	20	18	15	2	3
15	The customers satisfaction in entries made by the pass book	20	19	15	2	4

Source: primary data

From table 3, it is clear that arithmetic mean (\bar{x}) and standard deviation of the total opinion scores of 60 respondents were computed. Scores above (Mean + standard deviation) were consideration be to of high level opinion scores below (mean-standard deviation)treated as low level opinion scores in between (mean -standard deviation)and (mean + standard deviation) were considered to be of medium level opinion

Arithmetic mean score was 59 and Standard deviation score was 5

Respondents whose opinion score was above 64(59+5) were considered as having high level opinion and those whose opinion score was below 54(59-5) were considered as having low level opinion and the respondents whose opinion score was in between 54 and 64 were classified as having medium-term level opinion.

Garret Ranking

An attempt has been made to analyze the various influencing factors of customers for the preference of Bank by using Garret Ranking method .

Formula:

$$\text{Per cent position} = \frac{100 (R_{ij} - 0.5)}{N_j}$$

Factors Influencing the Level of Opinion

The following variables have been identified as the factors influencing the attitude of the respondents of the ICICI Bank and State Bank of India.

1. Sex
2. Age
3. Educational qualification
4. Occupation
5. Marital Status
6. Types of family
7. Size of the family
8. Monthly income

Table 4: Sex and opinion on services

S.No	Sex	Opinion Level			Total
		Low	Medium	High	
1.	Male	5 (8.33%)	35 (60.00%)	1 (1.67%)	41 (70.00%)
2.	Female	3 (5.00%)	12 (18.33%)	4 (6.67%)	19 (30.00%)
	TOTAL	8 (13.33%)	47 (78.34%)	5 (8.33%)	60 (100.00%)

Source: primary data

From above Table 4, it is clear that among the male respondents, 60.00 per cent of them have medium level of opinion about the services provided ; In the case of female respondents , 18.33 per cent of them have medium level opinion about the services offered by the bank . Irrespective of the gender, 78.34 per cent of respondents have medium level of opinion about the services. In order to find out whether there is any significant relationship between the gender of the respondents and their opinion about the services, chi-square has been applied.

Table 5: Sex and the opinion of customer on ICICI Bank chi-square test

Cell	O	E	O-E	(O-E) ²	(O-E) ² /E
R1c1	5	5.60	-0.60	0.36	0.06
R1c2	36	32.60	3.10	9.61	0.29
R1c3	1	3.50	-2.50	6.25	1.79
R2c1	3	2.40	0.60	0.36	0.15
R2c2	11	14.10	-3.10	9.61	0.68
R3c3	4	1.50	2.50	6.25	4.17
Total					7.14

$$\begin{aligned} \text{Degrees of freedom} &= (c-1)(r-1) \\ &= (3-1)(2-1) \\ &= 2 \end{aligned}$$

Calculated value of $\chi^2 = 7.14$

Table value of $\chi^2_{0.05} = 5.99$

Since the calculated value (7.14) is greater than the table value at five (0.05) per cent level of significance, the null hypothesis rejected. Hence it is concluded that the gender of the respondents influence the level of opinion.

Educational Qualification and the Opinion Level of Respondents on ICICI Bank

To find out whether there is any significant relationship between the Educational qualification of the respondents and the level of opinion about the services of bank, a two-way table has been prepared. Table 6 depicts the Educational qualification of the respondents and their opinion level.

Table 6: Educational Qualification and the Opinion Level of Respondents on ICICI Bank

S. No	Educational qualification	Opinion level			Total
		Low	Medium	High	
1.	Up to higher secondary level	4 (6.67%)	30 (50.00%)	4 (6.67%)	38 (63.63%)
2.	Graduate	2 (3.33%)	7 (11.67%)	1 (1.67%)	10 (16.67%)
3.	Post graduate	2 (3.33%)	7 (11.67%)	----	9 (15.00%)
4.	Professional	----	3 (5.00%)	----	3 (5.00%)
	Total	8 (13.33%)	47 (78.34%)	5 (8.33%)	60 (100.00%)

Source: primary data

From table 6, it is inferred that among the respondents failing under below higher secondary Education, 50.00 per cent of them have medium level opinion about the various services of the bank; among the graduate respondents there are 11.67 per cent have medium level of opinion about the services of the bank, Among the respondents coming

under the qualification have post-graduate and professional , 11.67 per cent and 5.00 per cent medium -term level of opinion about the services of the bank . Irrespective of the Educational qualification, 78.34 per cent of respondents of ICICI Bank have medium level of opinion about the various services provided by the bank

Table 7: Educational Qualification and the Opinion Level of Respondents on ICICI Bank - Chi-Square Test

Cell	O	E	O-E	(O-E) ²	(O-E) ² /E
R1C1	4	5.1	-1.1	1.138	0.225
R1C2	30	29.8	0.2	0.054	0.002
R1C3	4	3.2	0.8	0.694	0.219
R1C4	2	1.3	0.7	0.444	0.333
R2C1	7	7.8	-0.8	0.694	0.089
R2C3	1	0.8	0.2	0.208	0.033
R2C3	2	1.2	0.8	0.640	0.533
R2C4	7	7.1	0.0	0.002	0.000
R3C1	0	0.8	-0.8	0.563	0.750
R3C2	0	0.4	-0.4	0.160	0.400
R3C3	3	2.4	0.7	0.423	0.180
R3C4	0	0.3	-0.3	0.063	0.250
				Total	3.01

$$\begin{aligned} \text{Degrees of freedom} &= (c-1) (r-1) \\ &= (3-1) (3-1) \\ &= 4 \end{aligned}$$

$$\text{Calculated value of } 0.05 = 3.01$$

$$\text{Table value of } 0.05 = 9.49$$

Since the calculated value (3.01) is less than the table value at five (0.05) per cent level of significance, the null hypothesis is accepted. Hence, it is concluded that the Educational qualification does not influence the level of opinion o services rendered by ICICI Bank.

Monthly income and the opinion levels of respondents on ICICI Bank

Income is an important item to all human beings .Table 8 gives the income of the respondents and the opinion level of satisfaction towards the rendered by the Bank.

Table 8: Monthly Income and the Opinion levels Respondents on ICICI Bank

S.No	Monthly Income	Opinion Level			Total
		Low	Medium	High	
1.	Upto Rs. 20,000	4 (6.67%)	24 (40.00%)	2 (3.33%)	30 (50.00%)
2.	Rs. 20,001, Rs. 30,000	3 (40.00%)	17 (28.33%)	3 (5.900)	23 (38.33%)
3.	Rs. 30,001, Rs. 40,000	1 (1.67%)	4 (6.67%)	---	5 (18.33%)
4.	Above Rs. 40,000	---	2 (3.33%)	---	2 (3.33%)
	Total	8 (13.33%)	47 (78.34%)	5 (8.33%)	60 (100.00%)

Source: Primary data

From above Table 8, it is inferred that among the respondents falling under the category of upto Rs. 20,000 ,40.00 per cent of them have medium level opinion about the various services of the bank , among the respondents coming under the monthly income level Rs. 20,000 - Rs. 30,000 ,Rs. 30,001 -Rs. 40,000 and above Rs. 40,000 ,28.33 per cent and 3.33 have medium level of opinion about the various services of the bank . Irrespective of the monthly income 78.34 per cent of the respondents of ICICI Bank have medium level of opinion about the services.

Null Hypothesis

Monthly income of the respondents does not influence the level of opinion of respondents. Table 9 shows the working of chi-square test.

Table 9: Monthly Income and the opinion Level of Respondents on ICICI Bank - Chi-square test

Cell	O	E	O-E	(O-E) ²	(O-E) ² /E
R1C1	4	5.0	-1.0	1.000	0.200
R1C2	24	22.5	1.5	2.250	0.100
R1C3	2	2.5	-0.5	0.250	0.100
R1C4	3	3.8	-0.8	0.694	0.181
R2C1	17	17.3	-0.3	0.063	0.004
R2C2	3	1.9	1.1	1.174	0.612
R2C3	1	0.8	0.2	0.028	0.033
R2C4	4	3.8	0.3	0.063	0.017
R3C1	0	0.4	-0.4	0.174	0.417
R3C2	2	0.3	1.7	2.778	8.333
R3C3	0	1.5	-1.5	2.250	1.500
R3C4	0	0.2	0.2	0.028	0.167
Total					11.66

$$\begin{aligned}\text{Degrees of freedom} &= (c-1) (r-1) \\ &= (3-1) (3-1) \\ &= 4\end{aligned}$$

Calculated value of 0.05 = 11.66

Table value of 0.05 = 9.49

Since the calculated value (11.66) is greater than the table value at five (0.05) per cent level of significance, the Null hypothesis is rejected. Hence, it is concluded that the monthly income of the respondents influence the level of opinion of services rendered by ICICI Bank.

Findings

The following are the major findings of the study

1. Out of 60 respondents, majority of the customers i.e 70.00 percent are males and the remaining 30.00 per cent are females.
2. The majority of the customers at Mumbai ICICI bank are having higher secondary qualification representing 53.33 percent.
3. More number of customers 13.33 percent are Government employees and 25.00 percent of the respondents are businessman.
4. Time taken for depositing cash and encashing of cheques and withdrawal of cash is a long-term time affair as per the opinion of the majority customers.
5. About 58.33 percent of respondents, have availed the loan facilities. among them 35 respondents have availed loans and they expressed that it was difficult to get loans from the bank because of legal formalities and (30.76%)delaying attitude of sanctioning authority to the customers.
6. More than 55.00 percent of respondents have availed the loan facilities such as jewel loan and personal loan in greater number.
7. The factors like sex, Education, occupation and income of the customer do not affect the satisfaction of the customers.

Suggestions

The following suggestions are offered based on the findings of the study:

- Time taken should be minimized in handling transactions regarding depositing cash and withdrawal of cash.
- The bank should take steps to make the customers to easily understand banking transactions and have adequate banking knowledge. Booklets containing information regarding bank services and important rules in English and Hindi, Marathi languages should be introduced for easy reference.

- A system of reward should be introduced in order to motivate the employees of the bank.

Conclusion:

There is a need to adopt certain specific marketing strategies in order to survive in the present globalized environment.

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