

Study of banking system in reference of Customer satisfaction

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Abstract

Customer satisfaction is the choice of performance of the services of once and again by customers. Customer's satisfaction means to keep the customers as your regular customers towards the services or products which we are offering to them and it is most important to satisfy our customers. [2, 21] So, as to make them loyal and they should retain to our services for longer term. In term of banking it is the mandatory for the employees to satisfy their customers regarding the process, product and after people. Banking sectors provide various products i.e. loans, lockers, accounts, fixed deposits etc. which attract them and force them to be connected with the banks. [14] Now, in this growing era we are finding every possible thing to get digitalized and "why not bank?" If we consider it in banking sector we find that some bank like SBI, HDFC etc. provide online banking facilities to their customers in whom they provide them a special app or software which is connected through their mobile phones and this app is very much safe, convenient and easy to use. [10, 20] By this service they can increase the level of the satisfaction of their customers. And in urban areas, where more development is seen, it is quite necessary to get digitalized because the customers of urban areas prefer more technical services as compared to traditional services. [9, 16, 18]

Customer satisfaction toward banking sector in urban areas has now become a necessary step for financial institutions. It is to improve their growth and development for further as a sustainable growth. Banks can attract and satisfy their customers by their gestures, expressions to easy process and availability of various beneficial products. [1, 8]

Keywords

Customers, satisfaction, banks, products, digitalized.

Introduction

In day to day lives of the customers it has become necessary for them to get an account or connected with banks either co-operative bank or public bank and what a customer want? A customer wants its satisfaction and satisfaction is generally measured as their loyalty, preferences or expectation towards banking services and products for longer term. [6, 21] It is beneficial for the customers and organization for their longer term better and effective relations. A bank can increase the level of satisfaction of their customers by providing those better 3Ps i.e. products, people and process. Every type of

product is beneficiary for them to enhance the satisfaction. Product could be saving account, credit card, debit card, smart card, loan etc. and they can also attract their customers by digitalized them for

their convenience i.e. various apps and software's are provided by the banks to their customers. So, as to us net banking facilities and turning them into cashless transactions and providing them facilities at every time (24*7). [3, 5, 12] Now, comes about process when a customer enters into a bank, he found various desks available and he might confuse about the process in which he/ she is going to involve. So, if the bank provide presentation charts and arrow marks, they could be beneficial for them to make their level of satisfaction increased. And finally the people or employee to whom the customers are to interact, if they have better personality in terms of their gestures, expression and smile on their face, it could increase their satisfaction. In urban areas customers are more advanced and technical they prefer that, they would get better service and interaction in lower time and hence by these 3Ps we could enhance the level of the satisfaction of the king (customers) of the market. [3, 4, 17]

Literature Review

Customer satisfaction is playing a very important role in all organizations. Either the goods that produce the satisfaction of the contesters are playing a very important role in all the organizations or produce the goods, which produce the server and increase earning potential and market coverage. Satisfied customers are the best means to create a positive image of the organization in the market which will attract more and more customers and exclude the remnants of customers in the business. It will increase earning capacity and market coverage. Satisfied customers are the best means to create a positive image of the organization in the market which will attract more and more customers and exclude the remnants of customers in the business. Customer loyalty is defined as "twenty-first century market place currency" (Singh and Sardesh, 2000).

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Similarly, Foss and Stone (2001) customer loyalty related to customer thoughts and actions. Many customer loyalty experts have described loyalty as a state of mind and set of beliefs. The main elements of loyalty are the relationship between information exchange and state of mind and behavior. For example, loyal customers often provide information to service providers because of their sense of trust and they expect service providers to use the information provided to them for their benefit. [7]

Furthermore, customer satisfaction leads to customer loyalty which in turn leads to profitability (Hallowell, 1996). [21]

Studies related to customer satisfaction in business service have been done by Nawak and Washburn (1998). [17] He revealed that service quality is highly correlated with overall customer satisfaction. First, they reported that product quality is an important element of the presentation. Second, the critical relationship between timeliness and cost management may state that "time is money" in terms of business response to market changes. The third most important contribution to overall customer satisfaction was revealed service quality.

In addition, Rod, Eshil, Caruthers and Shao (2009) stated that overall Internet banking service quality is related to overall customer satisfaction in New Zealand banks. [16] He said that the delivery of high quality online service is called for the maintenance or enhancement of customer satisfaction of banks.

Chakra borty (2006) explains four factors that can be used to assess customer satisfaction in banks: satisfaction with the branch (confidentiality, faster services, employee's attitude to customers and opening hours); financial satisfaction (bank fees and interest rates); Remote access satisfaction (quality of e-banking) and presence of automated teller machines (ATMs). [9]

Habibi, Azari, Toloui, Agilli, and Nejadvad (2013), for their part, argue that customer satisfaction is assessed by confidentiality, speed of delivery of services, employee behavior, accuracy in provision of services, interest rates, skills and knowledge of personnel, can be done by easy. [10]

It is access to services and willingness to help. Kombo (2015) believes that the most important factors

affecting customer satisfaction include: faster services at branches, good quality of financial services, presence of bank branches, and use of e-banking, efficient services at branches. It creates a good network of ATMs. [12]

Kotler and Keller (2016) also stressed that satisfaction of customer is beneficial for business growth, success and performance. [13]

Bontis, Booker, and Serenko (2007) examined the causal relationship between satisfaction of customer and their loyalty in the North American banking industry and concluded that there is an effective and growing relationship between customer satisfaction and their loyalty. [6]

Accordingly, Rust and Zachoric (1993) stated that a higher level of customer satisfaction would reduce the need for the customer to change service provider. [20]

This means that customer dissatisfaction leads to a low level of loyalty (Newman, 2001). [18]

Ibok and John (2013) further suggested that customer satisfaction and customer loyalty have an unbreakable relationship, and this dissatisfaction may change a customer's intention. [11]

The adoption of these factors of customer satisfaction by banks can increase their operating costs. The most convenience enjoyed by public sector banks are ATMs and the least facilities are demat A / C and Foreign transfer of funds. The customers of banks use internet or phone banking through ATM or debit card.

Justin P tells about Arun M and Garima S Pvt. Fast services of sector banks, quick connection to the right Efforts to reduce time in person, processing transactions Knowledge of products and accountability of banks Employees are positively connected with customers Satisfaction level. [15, 19]

Objective

- To enhance the level of satisfaction of customers by the digitalization.
- To improve the satisfaction by the people (employees) of the bank.
- To promote and develop banking facilities and services to more reach of customers.



- To know about the process of bank is effective or not for the customers.

Research Methodology

Data was obtained for this study from a simple random sample of bank customer. Sample represent the whole population but the research paper only managed to find 100 people. Population is a group of people that involve in the research. Selection of a population is depending on the researcher. However, sampling is representing the whole population but the researcher only managed to find 100 people to become respondents. The study adopted the convenience type of research approach for analyzing the customer wants and needs. Convenience sampling includes surveys and fact findings enquiries of different kinds. The main goal of this research is to describe the customer satisfaction level. In this data collection process the researcher obtained data using primary method. Now, structure questionnaire was designed to collect the primary data collect from the customers. Secondary data was collected from newspaper, websites, internet, journals and textbooks etc.

Benefits of Customer satisfaction

1. Area of improvement: It is one of the biggest benefits of a customer satisfaction because it provides an area in organization improvement. Time to time organization conduct a survey to check the customer satisfaction level.
2. Loyal customer: Organizations provide an accurate products and services to the customers according to their wants and needs. Now they create a trust to the customer. So, these customers are loyal to the organization.
3. Brand differentiation: Organization provide a good quality service to their customer but sometimes competition break the selling of product. In this time period what make you different from your competition? Your product features, price and service are differentiating your organization to the other organization.
4. Increase lifetime value: Those customers are fully satisfied is spring to improve your organization revenue. Customer lifetime value is helpful to add a benefit of high quality customer service.
5. Reduce wrong words: Customer have an unpleasant experience they are likely to increase the word about their negative experience to the product or service. Customer feels satisfaction to the product and their

services. They are most likely to share their experience with other people.

6. Good will creation: By satisfying our customers we could raise your good will in market and could improve for future.
7. Mouth to mouth publicity: Customer satisfaction helps in improvement of mouth to mouth publicity means if a customer is satisfied him would invite others too.
8. Profit maximization: Customers are main part of the organization if they are satisfied with their products and services they would be beneficial for profit maximization.
9. Growth oriented: Customer satisfaction would be better for the development of the growth and achievements of goals.
10. Creation of better relations: It would be beneficial for creation of the better relations between customers and banks.
11. Customer preference: Customer satisfaction would be beneficial for the upgrading of the level of the preference of the customers towards your products and services.
12. Brand positioning: It would be beneficial for positioning the image of the brand in the minds of the customers.
13. Convenience of customers: As per digitalization of banking sector, it would be convenience for the customers to use it at their leisure time and hence increases their satisfaction level towards the banks.

Data Analysis and Interpretation

Table 1: Responses regarding behavior of staff.

Responses	No. of Respondents
Yes	82
No	18
Total	100

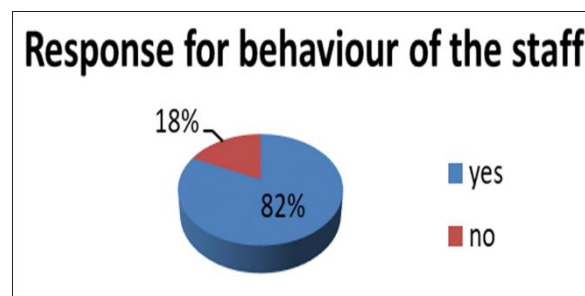


Fig1: Graphical representation of satisfaction in terms of behavior of staff.

Interpretation

Majority of the customer said that they are satisfied with the behavior of the staff member. They are treated customers with polite behavior and a smiley gesture.

Table 2: Satisfaction of customers in case of online banking platforms.

Responses	No. of Respondents
Yes	92
No	8
Total	100

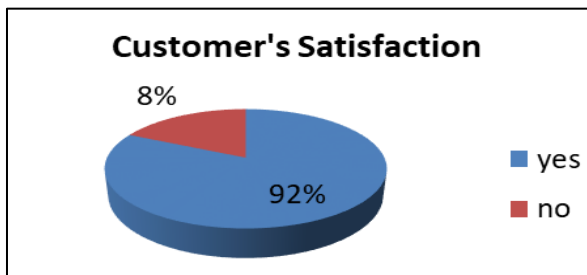


Fig2: Graphical representation of satisfaction for online services.

Interpretation

The above chart depicts that 92% customers are satisfied from the net banking, online banking because which are convenient to them for their time management.

Table 3: Responses regarding sufficient and comfortable seating arrangements.

Responses	No. of Respondents
Yes	36
No	64
Total	100

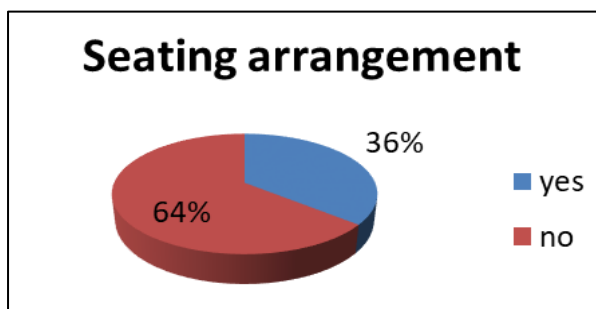


Fig3: Graphical representation of satisfaction in terms of seating arrangements.

Interpretation

The figure 3 above depicts that customers are not fully satisfied with the sitting arrangement of the banks.

Findings of the study

From this research in banking, we come to various findings these are as below:

- Customer is satisfied with the process from their entry to the queuing time, service time and waiting time to finally their exit.
- Customers are satisfied with the behavior if the staffs, with polite and sincere reply and having simply gestures and expressions.
- Customers are satisfied from the net banking, online banking which are convenient to them for their time management in their hectic schedule.
- Customers are happy and motivated by the products and services of the banks.
- If customers are satisfied they would prefer it for their first choice and would avoid our competitors and creates a loyalty and bond between customers and organization.
- Customers were little bit affected with the sitting or waiting arrangement facility provided to them by the banks and it was not beneficial. So, it is advised to fulfill this demand of the customers too.
- Customer feels that, their investments are safe in banks and they are getting what they want for their future and it is beneficial for their future investments.
- Customers are satisfied with the team and are motivated themselves for again visit and conveyed that it is up to their perceptions which they have made.

Conclusion

Customers are the kings of the market and if they are satisfied and are loyal towards our services and products, it means we are going in a right pathway. So, this paper covers their satisfaction level, their convenience choice of preference through different modes and it is beneficial for both organizations as in their profit maximization, growth oriented and for customers, it is beneficial as they get better and safe opportunity to invest their earnings. In this research paper we focused on 3Ps i.e. people their services, products and process through which a customer's decides it's satisfaction and their loyalty or choice of preference. This paper is for both customers as well as the organization to provide them a better platform and fulfill their perceptions towards the products and services. From this research paper we concluded that due to satisfaction of the customers, we would be able to achieve our goal in fixed time and it would be beneficial for increment of wealth and good will in the market. It would be beneficial for the organization

to get their customers to be loyal to them. So, that they would come once and again to their branch and would advise to others too about their products and services. It is beneficial for creation of better interaction and relations towards the customers and it is future oriented too and would be better for long term benefit not for short term benefit.

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