A Comparative Study of Customer Satisfaction between SBI and ICICI Bank Branches in Indrapuri Area, Bhopal

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Abstract

Customer satisfaction is the most important element for success of any organization including banking domain. Banking industry plays a substantial role in the economic development of a country but it's facing big challenges because of intensive competition, technological traits and due to changes in government regulations. In this competitive and fast changing era, it becomes vital for a bank to fulfill the needs and services of the clients, thereby increasing the level of customer satisfaction. Banks need to frame rules and built techniques for satisfying and retaining the existing customers and attracting new customers. The cost of creating new customers is much higher than the value of retaining the clients. Thus, banks are spending enormous energy and time to frame polices for maintaining and increasing customer satisfaction.

Present study has been carried out to compare the delight stage of clients in SBI and ICICI bank. SBI is the largest public sector bank in India and ICICI is second largest private sector bank in India. The study will provide statistics about the variations in level of customer satisfaction for clients using internet banking in the mentioned banks. The observation has been performed at Indrapuri branches of both the banks in Bhopal city.

KEYWORDS: customer, customer satisfaction, SBI and ICICI Bank

Introduction

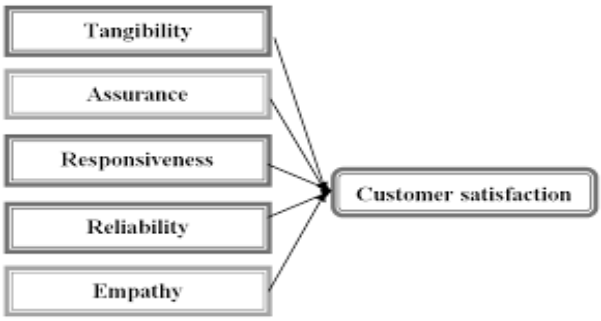
Indian banking industry is developing unexpectedly. Indian government has performed a big function within the improvement of banking industry. The industry has passed through sizable modifications after liberalization. Many new small finance banks, other private banks were mounted, and they augmented the competition. Foreign banksalso entered with new technology posing a top-notch assignment for the banking industry.

The technological improvements have totally modified the banking operations. Now all the banks operate through computers. The banking operations are not constrained to branch banking but it also functions through ATM, Mobile Banking, Internet Banking, RTGS, NEFT, IMPS, ECS, NACH, SMS banking, payment through QR code etc., It saves both cost and time due to less bank branch visits. The banks have enhanced their offerings and now it is not limited to accept deposits and providing loans but banks have become one- stop shop for providing major financial services including credit cards, investments, insurance, broking services and other offerings to clients. Customer care offerings are available through internet 24×7 for the customers. The customers can enquire as per the convenience seating anywhere and get facts and support from the involved bank. All banks are providing similar sort of services and products which has further increased the competition and made it difficult for the banks to attract new customers. Now the competition is intense and banks are looking for more alternatives

for providing similar form of offerings in another way to fulfill the existing customers and entice new customers.

Customer Satisfaction

Customer satisfaction is the performance Indicator of an organization. It is used as a measurement for meeting expectations of clients with the aid of the service issuer. A satisfied customer becomes the brand ambassador for any organization. Customer satisfaction in banking sector includes various behavioral parameters and technological support. Behavioral parameters include promptness in services, bank staff willingness to help, user-friendly mobile and internet banking channels etc. When a customer interacts with the any organization and consumes its service or product, it develops certain opinion that causes how glad or satisfied the customer is with the organization. In service industry like a bank below attributes play a vital role and describes the reasons of satisfaction or dissatisfaction.



Review of Literature

India is densely population country with varied demographics and different regions. Thus, we find different banks here from public sector to private sector banks, and from foreign bank to regional rural banks. Public sector banks have more presence in number of bank branches and also the first choice for customers due to government backing. Private banks are the choice for those who are looking for exceptional services, technological support and are ready to pay certain price for it. In current financial system of technology and changing markets dynamics, new developments on financial products and services should be constantly delivered for any institution to stay in the market. Success mantra will be consumer centric orientation, wherein the business enterprise builds long time strategic relationships with its clients.

ZEITHAML ET AL. (2000) have concluded that customer feedback on service rendered, depends on the quality of service, client's emotional elements, the charges levied by means of the bank, banking situational elements like comfort all have an effect on the level of patron pleasure.

PAUL KUMAR MANOJ AND BARMAN ARUP (2010) performed a survey to have a look at the purchaser pleasure in rural banking and recognized twenty-one elements of patron pleasure. These factors had been grouped into six instructions like work subculture, efficiency aspect, furnishing and primary amenities furnished with the aid of the department to its customers, product range, accessibility and friendliness, procedural complexities component.

DERIBE AND DERIBE (2013) client pleasure may be evaluated on the premise of offerings provided through the banks. It changed into determined that the customers were satisfied with the offerings of the bank. The look at also found out the troubles encountered through the clients in banking transactions. Network troubles, postpone in loan approvals, less funding in modern technology had been the predominant issues encountered through the clients.

Research Methodology

The study adopts the descriptive research design. This research investigates the customer satisfaction in internet banking usage between SBI and ICICI Bank branch customers in Indrapuriarea Bhopal. Descriptive research study was conducted to ascertain the satisfaction level of customers in both the banks. Primary data is collected from both the banks for internet banking users in Indrapuri area branch customers. Samples of 200 respondents (100 customers from each bank) who uses online banking were selected by using convenience sampling technique.

Findings and Discussion

Table 1. Sample Profile

Bank	Number of Respondents	Percentage (%)
SBI	100	50
ICICI	100	50
Total	200	100

The sample consists of 200 customers. In the sample 102 customers are from SBI and 98 customers are from ICICI bank. In sample taken, number of customers of public and private sector banks is almost same.

Table 2. Age

Age of Respondents	Number of respondents from SBI	Number of respondents from ICICI
Below 30 years	34	48
30-50 years	40	42
Above 50 years	26	10
Total	100	100

In SBI 34% customers are from the age below than 30 years, 40% customers are from the age group of 30-50 years and 26% customers are from the age of above 50 years. In ICICI bank 48% customers are from the age of below 30 years, 42% customers are from the age of 30-50 years and 10% customers are from the age of above 50 years.

Table 3. Gender

Gender	SBI	ICICI
Male	56	79
Female	44	21
Total	100	100

Gender: As in line with table 3, sample includes 67.5% male customers and 32.5% female customers. In SBI 56% customers were male and 44% customers were female. In ICICI bank 79% customers are male and 21% customers were female.

Table 4- Customer satisfaction level at SBI

Quality Dimension	Statements	**No. of Respondents**				
		Strongly Disagree **(1)**	Disagree **(2)**	Neutral **(3)**	Agree **(4)**	Strongly Agree **(5)**
Reliability	Web Page can be downloaded Quickly	48	20	8	14	10
	Information provided on bank website is accurate	26	22	28	10	14
	Language and information content on Bank website is easy to understand	8	6	6	29	51

	Bank website does not freeze after putting all the information	38	22	6	14	20

Table5- Customer satisfaction level at ICICI Bank

Quality Dimension	Statements	**No. of Respondents**				
		Strongly Disagree **(1)**	Disagree **(2)**	Neutral **(3)**	Agree **(4)**	Strongly Agree **(5)**
Reliability	Web Page can be downloaded Quickly	10	12	9	37	32
	Information provided on bank website is accurate	2	6	13	28	51
	Language and information content on Bank website is easy to understand	18	31	5	20	26
	Bank website does not freeze after putting all the information	13	12	8	22	45

Conclusion:

From the current study we can ascertain that the score of ICICI Bank is greater than SBI, Net banking users of ICICI Bank are comparatively more comfortable on mentioned parameter over SBI but SBI has better ratings on language and information content available on bank website.

Branchless banking is the new normal, customers does not have time to visit branches and the current requirement is 24x7 and on all days, this will only possible when banks will develop their internet banking and mobile banking platform strongly. This will also save bank's cost on huge investments over staff and physical branches.

Scope for Future Research

This research study mainly highlights the customer satisfaction onfew variables of internet banking over 200 respondents in one small area of a city. If the study is conducted on a larger population including other banks and over other services the result may vary.

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