A STUDY ON CUSTOMER'S SATISFACTION ON SERVICE QUALITY IN BANKING SECTORS WITH SPECIAL REFERENCE TO HDFC BANK

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ABSTRACT

Service Quality in a banking sector is the most imperative criteria and resources for assessing and fulfilling clients and in this way builds the customer loyalty and normal standard for dependability of clients . Among the service quality determinants Tangibility, Responsiveness, Reliability, Assurance, Empathy have constantly assumed a crucial part, in this paper an endeavor is made to discover the effects of Service Quality measurements on Customer Satisfaction for the investigation it is discover that substantial quality dependability, responsiveness and affirmation significantly affect Customer Satisfaction. At last, it is discovered that there is no noteworthiness distinction out in public and private sector banks with identified with SERVQAUL measurements.

KEYWORDS: *Assurance, Customers satisfaction, Tangibility, Reliability and Responsiveness.*

INTRODUCTION

Service Quality by its very nature is an elusive, abstract and indistinct concept. Consumers do not easily articulate their requirement; also there are difficulties in delimiting and measuring the concept. A handful of researchers have operationalised the concept. The premises of 'Quality of service' as the competitive edge in gaining market leadership has been well recognized both in academic research and by leading service organisation. However ,it has become increasingly important for organizations to find ways, not only to reach the top, but to maintain that leadership in ever increasing competitive market place. In order to protect their long term interest, service organisations are seeking ways to forge and maintain service quality. The changing focus of service quality from a mere competing instrument to that basic core of service concept in meeting and exceeding customer expectation is an emerging important issue in service organization.

STATEMENT OF THE PROBLEM

To overcome the problems in HDFC bank, banking transactions and to improve customer relationship management. Mainly to assess the level of customer satisfaction on service quality provided by HDFC bank. To overcome weakness, positive correlation between customer satisfaction and customer retention towards HDFC Bank. There is need for an extensive study on the rural customer's perceptions on the service quality in banking service offered in rural areas.

SCOPE OF THE STUDY

Consumers all over the world have become more quality conscious; hence there has been an increased customer demand for higher quality service. Service operations worldwide are affected by this new wave of quality awareness and emphasis. Therefore service-based companies like the banks are compelled to provide excellent services to their customers in order to have sustainable competitive advantage, especially in the current trend. Customer satisfaction and retention has become a matter of concern in the banking industry and service quality has been identified empirically as the driver of them. But, there are discrepancies between what the banks think is quality service and what the customers expect from the banks.

OBJECTIVES OF THE STUDY

- To determine the factors influencing the level of customer satisfaction in reference to HDFC bank.
- To assess the level of customer satisfaction on the quality of service provided by the banking sector.
- To study consumer perception about the service quality in banking sector.
- To offer suggestion to improve the quality of service provided by banking sector .
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TOOLS FOR ANALYSIS

The primary data were coded, classified, tabulated and analysed. The statistical tools used for analysis of the study are:

- Simple percentage Analysis
- Ranking Correlation
- Likert scale Analysis

LIMITATION OF THE STUDY

- The study takes into analysis only the customer satisfaction of the customers of HDFC Bank.
- The result is obtain only by means of Responses from the Respondents, so there is a chance for False statement.

REVIEW OF LITERATURE

Richa Dabas and Ritu Bajaj (2019) the study of impact of responsiveness on user satisfaction towards online banking services in Delhi. It was a descriptive research on primary data. 150 respondents were given Questionnaires and their responses were delivered on a 5-point Likert's scale.It has been found from the above observations that the different elements considered for the study have a statiscally significant impact on the customer satisfaction at 5% significance.

Abdul Khalique Talukder (2018) the study aims to make district wise and banking sector wise comparison of customers overall service quality consideration and their satisfaction with the quality of services rendered by commercial banks. SPSS software was used and 500 respondents were considered. It was found that the customers of both the districts as well as both the banking sectors experienced less than what they expected in the overall service quality.

Hussain Ajmal and Raza Ali Khan and Maham Fatima (2018) the study on quality of products as well as services defined by the customer which assesses the image of companies brand in real terms. The quantitative nature of the study is accomadated through questionnaire and online survey. Questionnaire was designed to collect the primary data from 400 respondents. This study highlighted the customer perception in the light of five dimensions of service quality and customer satisfaction.

DATA ANALYSIS AND INTERPRETATION

In this chapter the analysis and interpretation of "A study on customer's satisfaction towards HDFC banking services with special reference to Coimbatore city", is presented based on the opinion of samples of 120 respondents selected from Coimbatore city through a questionnaire containing 20 questions. These were analysed through three different tools and they are as follows,

Simple Percentage analysis
Rank Correlation
Likert scale Analysis

SIMPLE PERCENTAGE ANALYSIS

Simple percentage analysis is the method to represent raw streams of data as a percentage for better understanding of collected data. Percentage analysis is applied to create a contingency table from the frequency distribution and represent the collected data for better understanding.

FORMULA:

$$\text{Percentage} = \frac{\text{Number of respondents}}{\text{Total no. of respondents}} \times 100$$

Table 1
Table Showing the Gender of the Respondents

S. NO.	GENDER	NO. OF RESPONDENTS	PERCENTAGE
1	Male	74	62
2	Female	46	38
	TOTAL	**120**	**100**

(Source: Primary data)

INTERPRETATION

The above table shows that out of total 120 respondents, 62% of the respondents are male and 38% of the respondents are female.

Majority, 62% of the respondents are male.

Table 2
Table Showing the Educational Qualification of the Respondents

S. NO.	EDUCATIONAL QUALIFICATION	NO. OF RESPONDENTS	PERCENTAGE
1	Illiterate	17	14
2	Upto school level	20	16
3	Graduate	47	39
4	Post graduate	16	13
5	Professional	20	16
	TOTAL	**120**	**100**

(Source: Primary data)

INTERPRETATION

The above table shows that out of total 120 respondents, 39% of the respondents are graduate, 16% of the respondents are upto school level and professional, 14% of the respondents are illiterate, 13% of the respondents are post graduate.

Majority, 39% of the respondents are graduate.

Table 3
Table Showing the Occupational Status of the Respondents

S. NO.	OCCUPATION	NO. OF RESPONDENTS	PERCENTAGE
1	Employee	11	9
2	Employer	39	33
3	Professional's	60	50
4	Other's	10	8
	TOTAL	**120**	**100**

(Source: Primary data)

INTERPRETATION

The above table shows that out of total 120 respondents, 50% of the respondents are professional's, 33% of the respondents are employer, 9% of the respondents are employee, 8% of the respondents are other's.

Majority, 50% of the respondents are professional's.

RANK CORRELATION

A rank analysis is any of several statistics that measure an ordinal association, the relationship between ranking of different ordinal variables or different ranking of the same variables, where a "ranking" is the assignment of the labels "first", "second", "third", etc., To different observation of a particular variable. A rank analysis measures of similarity between two rankings, and can be used to assess the significance of the relation between them. It

is not necessarily a total order of object because two different objects can have the same ranking. The ranking themselves are totally ordered.

Table 4
Table Showing the Preference Level of Respondents towards HDFC Banking Services

S. No.	Factors	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Total	Rank
1	Customer handling	28(5)	21(4)	16(3)	25(2)	30(1)	352	2
2	Timely response	2(5)	12(4)	32(3)	47(2)	27(1)	275	5
3	Query handling	6(5)	27(4)	43(3)	39(2)	5(1)	350	3
4	Online services	18(5)	25(4)	25(3)	19(2)	33(1)	361	1
5	Mobile banking	15(5)	24(4)	24(3)	25(2)	32(1)	325	4

(Source: Primary data)

INTERPRETATION

The above table shows that out of total 120 respondents, Online services has ranked 1st, Customer handling has ranked 2nd, Query handling has ranked 3rd, Mobile banking has ranked 4th, Timely response has ranked 5th.

Majority, Respondents are satisfied with the Online services in HDFC Bank.

LIKERT SCALE ANALYSIS

Likert scales are the most broadly used method for scaling responses in research studies. Research questions that ask you to indicate your level of agreement, from strongly agree or highly satisfied to strongly disagree or highly dissatisfied, use the likert scale. In Likert scale method, a person's attitude is measured by combining (additional or averaging) their responses across all items.

FORMULA:

$$\text{Likert scale} = \frac{\sum fx}{\text{Total number of respondents}}$$

Where,

F = Number of respondents

X = Likert scale value

$\sum fx$ = Total score

Mid value,

Mid-value indicates the middle most value of the Likert scale.

Table 5
Table Showing The Satisfaction Level Of Respondents With The HDFC Bank's Core Banking Facility

S. NO.	SATISFACTION LEVEL	NO. OF RESPONDENTS (F)	LIKERT VALUE (X)	TOTAL (FX)
1	Highly Satisfied	27	5	135
2	Satisfied	47	4	188
3	Neutral	32	3	96
4	Dissatisfied	12	2	24
5	Highly dissatisfied	2	1	2
	TOTAL	120		445

(Source: Primary data)

Likert value = $\sum fx$ / No. of. Respondents

= 445 / 120

= 3.71

INTERPRETATION

Likert scale value is 3.71 which is greater than the mid value (3), so the respondents are feeling good with the core banking facility provided by the HDFC Bank.

Table 6
Table Showing the Satisfaction Level of Respondents towards Customers Reliability in HDFC Bank

S. NO.	SATISFACTION LEVEL	NO. OF RESPONDENTS (F)	LIKERT VALUE (X)	TOTAL (FX)
1	Highly satisfied	29	5	145
2	Satisfied	24	4	96
3	Neutral	26	3	78
4	Dissatisfied	14	2	28
5	Highly dissatisfied	27	1	27
	TOTAL	**120**		**374**

(Source: Primary data)

Likert value = $\sum fx$ / No. of. Respondents
         = 374 / 120
         = 3.12

INTERPRETATION

Likert scale value is 3.12 which is greater than the mid value (3), so the respondents are satisfied with the Customers reliability by the HDFC Bank.

FINDINGS, SUGGESTIONS AND CONCLUSION
FINDINGS

- 39% of the respondents are of between the age 28 years – 38 years.
- 62% of the respondents are male.
- 62% of the respondents are married
- 39% of the respondents are graduate.
- 50% of the respondents are professional's.
- 34% of the respondent's family are earning Rs.5,00,001 – Rs.10,00,000.
- 40% of the respondents are maintaining savings account.
- 40% of the respondents are maintaining account for 4 years – 6 years.
- 45% of the respondents are satisfied with the cost effectiveness.
- Respondents are satisfied with the Online banking service in HDFC Bank.
- Likert scale value is 3.71 which is greater than the mid value (3), so the respondents are feeling good with the core banking facility provided by the HDFC Bank.
- Likert scale value is 3.26 which is greater than the mid value (3), so the respondents are feeling good with the "Time management" provided by the HDFC Bank.
- Likert scale value is 3.09 which is equal to the mid value (3), so the respondents are feeling neutral with the cost effectiveness provided by the HDFC Bank.
- Likert scale value is 3.12 which is greater than the mid value (3), so the respondents are feeling good with the cash withdrawal provided by the HDFC Bank.
- Likert scale value is 3.57 which is greater than the mid value (3), so the respondents are satisfied with the credit card services provided by the HDFC Bank.
- Likert scale value is 3.20 which is greater than the mid value (3), so the respondents are satisfied with the online services provided by the HDFC Bank.
- Likert scale value is 3.26 which is greater than the mid value (3), so the respondents are satisfied with the customers assurance by the HDFC Bank.
- Likert scale value is 3.17 which is greater than the mid value (3), so the respondents are satisfied with the Accurate services by the HDFC Bank.
- Likert scale value is 3.12 which is greater than the mid value (3), so the respondents are satisfied with the Customers reliability by the HDFC Bank.
- Likert scale value is 3.20 which is greater than the mid value (3), so the respondents are

satisfied with the Appropriate services by the HDFC Bank.

- Likert scale value is 3.65 which is greater than the mid value (3), so the respondents are satisfied with the Staffs knowledge by the HDFC Bank.
- Likert scale value is 1.90 which is lower than the mid value (3), so the respondents are not satisfied with the Customer satisfaction by the HDFC Bank.
- Likert scale value is 3.20 which is greater than the mid value (3), so the respondents are satisfied with the Customer tangibility by the HDFC Bank.
- Likert scale value is 2.90 which is lower than the mid value (3), so the respondents are not satisfied with the banking services by the HDFC Bank.
- Likert scale value is 3.260 which is greater than the mid value (3), so the respondents are satisfied with the staff responsiveness by the HDFC Bank.
- Likert scale value is 3.08 which is greater than the mid value (3), so the respondents are good with the staff services provided by the HDFC Bank.

SUGGESTIONS

- Due to the intense competition in the banking sector, the HDFC Bank should adopt better strategies to attract more customers.
- HDFC Bank should concentrate on the Customer relationship management to increase the bank customers.
- HDFC Bank should give more importance to empathy towards customers..
- HDFC Bank staffs should be given proper guidelines to provide timely response to the customers.
- HDFC Bank should try to increase the Quality of service to make the customers satisfied.

CONCLUSION

Based on the study conducted it can be concluded that responsiveness, assurance,empathy,tangibility and reliability are the critical dimensions of service quality of HDFC Bank and they are directly related to overall service quality. The factors that may delight customers tend to be concerned more with the intangible nature of the service, commitment, attentiveness, friendliness, care and courtesy. The management should understand the benefits of service quality. It include increased customer satisfaction, improved customer retention, positive word of mouth, reduced staff turnover, decreased operating costs, enlarged market share, increased profitability, and improved financial performance.

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