

Measuring Customer Satisfaction in Public Sector and Private Sector Banks: With Special Reference To Banks of Tamilnadu

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Abstract:- Today, banking is regarded as a consumer-oriented services industry and banks have started realizing that their business increasingly depends on the quality of the consumer service provided and overall satisfaction of the customer. Relationship marketing has become the most critical aspect to corporate banking success. Today, customers expect higher quality services from banks which, if fulfilled, could result in significantly improved customer satisfaction, and potentially retention levels. This empirical research study focuses on customer satisfaction in public and private sector banking in tamilnadu. It is hoped that this research paper would help the bank management not only in improving the overall level of customer satisfaction but also strengthening the bond between the banks and their customers, thereby helping the banks to retain and/or expand their overall customer base.

INTRODUCTION

Finance is the life blood of trade, commerce and industry. Now-a-days, banking sector acts as the backbone of modern business. Development of any country mainly depends upon the banking system. In a modern economy, banks are to be considered not as dealers in money but as the leaders of development. They play an important role in the mobilization of deposits and disbursement of credit to various sectors of the economy. The banking system reflects the economic health of the country. The banking sector is dominant in India as it accounts for more than half the assets of the financial sector. Indian banks have been going through a fascinating phase through rapid changes brought about by financial sector reforms, which are being implemented in a phased manner. Banks have to deal with many customers every day and render various types of services to its customer. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and service to service. The customers are found to be central point in making decisions of the banking industry with respect to the practices of the banking organization. In this perspective, identifying a potential customer, the right services marketing strategies and positive attitude are important to the banking sector.

SIGNIFICANCE OF STUDY

- Getting clear picture about comparative analysis of public and private sector banks services and commitments.

- Identifying real image of the bank in terms of customers; satisfaction and preferences.
- For knowing customers expectations from the bank.
- For improving services and customer relationship management practices(CRM)
- For promoting Ethics and human values in the banks.
- Useful for the prospects customers who wants to invest in the banks.

Useful to improve marketing practices of banking services.

CONCEPTS

Definition of Customer Attitudes

Customer Attitudes are a composite of three elements: cognitive information, affective information and information concerning a consumer's past behavior and future intentions. In other words, attitude consists of thoughts or beliefs, feelings, and behaviors or intentions towards a particular thing, which in this case is usually a good or service. For example, you may have a very positive view of a particular sports car (for example, you believe it performs better than most), it makes you feel good, and you intend to buy it.

Service quality

Service quality has become ever more important to improving customer satisfaction in the Private sector organization. Private sector organization specially knows that customer satisfaction is one of the most vital factors that contribute in establishment reputation and credit in the

Private view. The Private complained about long queues poor service delivery and deficiency physical facilities direct effect on the level of service quality in the Private sector

OBJECTIVE OF THE STUDY

The objective of this study is to compare the public sector banks and private sector banks in terms of customer satisfaction and to find out the various reasons of customer dissatisfaction in these banks.

SCOPE OF THE STUDY

The scope of the study is confined in comparing the Public sector and private sector banks in terms of customer satisfaction. The study will be undertaken on the basis of sample survey.

SAMPLE AND DATA COLLECTION

This survey was conducted in the context of banking services. 50 percent of the data were collected in face to face interviews of customers coming to banks. For the remaining 50 percent, the data were collected by visiting the customer's homes. The study provides a representative sample of various banks customers in Tamilnadu only.

RESEARCH DESIGN

The research design would be descriptive and cross sectional

DATA COLLECTION

The data would be collected from primary source through questionnaires and interviews.

SAMPLE SIZE

The sample would be selected on random basis. A sample of 50 respondents would be used in the research.

DATA SOURCES

Both Secondary and Primary Sources of data will be used. The major type of information used is primary data. This is done thru primary survey. The literature review is a secondary data type. The sources include books, periodicals, websites, printed literature etc.

FINDINGS

Customer satisfaction level is higher in Private sector banks as compared with the Public Sector Banks

Reasons of Dissatisfaction in Public sector banks

CONCLUSIONS

Service qualities of private and public banks were measured by using SERQUAL method. The result of this study provides evidence that the SERQUAL dimensions are useful tool to predict over all service performance of banks. In this paper we have found that a customer gives highest importance to reliability dimension. Within that reliability dimension they give more focus on how banks fulfill their promise and how they show interest to do work. From Analysis it was found that a customer gives second importance to responsiveness of bank employees. It includes various criteria like, promptness in giving service, willingness to help customers etc. Customer gives third preference to assurance factor, it include criteria like safety of transaction, consistency in service etc. So, banks whether they are private sector bank or public sector bank they should give more focus on increasing reliability, responsiveness and assurance. For that they can give training to their employee which will help them to give personalized service. It will also help to implement empathetic approach.

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