



Level of Customers Satisfaction in Terms of Services by ICICI Banks

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Abstract

A bank is a financial institution that creates credit by lending money to a borrower, thereby creating a corresponding deposit on the bank's balance sheet. Lending activities can be performed either directly or indirectly through capital markets. Due to their importance in the financial system and influence on national economies, banks are highly regulated in most countries. Most nations have institutionalized a system known as fractional reserve banking under which banks hold liquid assets equal to only a portion of their current liabilities. In addition to other regulations intended to ensure liquidity, banks are generally subject to minimum capital requirements based on an international set of capital standards known as the Basel Accords.

Keywords: Level, Satisfaction.

Introduction

A bank is a financial institution licensed as a receiver of deposits. There are two types of banks : commercial/retail banks and investment banks. In most countries, banks are regulated by the national government or central bank. Commercial banks are mainly concerned with managing withdrawals and deposits as well as supplying short-term loans to individuals and small businesses. Consumers primarily use these banks for basic checking and savings accounts, certificates of deposit and sometimes for home

mortgages. Investment banks focus on providing services such as underwriting and corporate reorganization to institutional clients.

Methodology

The study was conducted in Kanpur district. Seven banks were selected in National and private. Dependent and Independent variables were used such as age, education, customer, current account. The statistical tools were used such as Rank, Cr. etc.

Results

Table 1 Distribution of bank customers according to age group

Age group	Frequency	Per cent	Mean + SD
18 to 30 years	11	11.0	25+3
30 to 40 years	24	24.0	35+4
40 to 50 years	39	39.0	46+3
50 to 60 years	20	20.0	53+6
60 years & above	6	6.0	62+3
Total	100	100.0	39+6

According to RBI rules all the adults can open their saving accounts and avail the benefits of all the policies running by the Banks but now below 18 years. However, they can open their minor accounts. ICICI and HDFC Banks are offering these services.

Table 2: Services offered by selected Banks for adults (in per cent)

Schemes	HDFC	SBI	PNB	BOB	ICICI	OBC	IDBI
• Saving account	70.0	100.0	70.0	80.0	88.0	40.0	30.0
• Current account	10.0	25.0	8.0	15.0	20.0	8.0	12.0
• Fixed deposit	30.0	60.0	40.0	40.0	38.0	30.0	26.0
• Mutual fund	22.0	32.0	30.0	22.0	30.0	10.0	8.0
• ATM	70.0	100.0	80.0	70.0	90.0	45.0	32.0
• Internet banking	60.0	72.0	70.0	60.0	70.0	60.0	30.0
• Debit card	60.0	81.0	62.0	55.0	78.0	58.0	20.0
• Education loan	40.0	60.0	44.0	32.0	50.0	32.0	10.0
• House loan	30.0	50.0	40.0	30.0	42.0	30.0	12.0
• Car loan	40.0	62.0	50.0	20.0	55.0	32.0	12.0
• EFT Electronic fund transfer	29.0	40.0	20.0	20.0	32.0	24.0	10.0

All the selected seven banks are almost offering all the schemes but interest rate of SBI is somewhat less but in spite of that customers use to take services of SBI due to their credibility. Business class people are taking the services of private banks because their rules are somewhat flexible

but now it is found that people are now attracted to ICICI Bank after S.B.I. and people are availing these services. Now ICICI Bank are more popular due to infrastructure dealing behaviour offering comfort also.

Table 3: Most preferred banking schemes and services by customers

Schemes	SBI	PNB	BOB	HDFC	ICICI	OBC	IDBI
• Saving account	100.0	68.0	55.0	68.0	82.0	28.0	35.0
• Mutual fund	30.0	-	-	90.0	92.0	-	-
• Recurring deposit	70.0	52.0	40.0	68.0	72.0	15.0	42.0
• House loan	82.0	12.0	22.0	66.0	60.0	-	6.0
• Educational loan	40.0	32.0	18.0	77.0	80.0	5.0	8.0
• Car loan	64.0	14.0	6.0	-	40.0	-	-
• Personal loan	78.0	66.0	9.0	54.0	62.0	-	58.0
• ATM	100.0	70.0	50.0	62.0	100.0	22.0	42.0
• Lockers	100.0	80.0	62.0	66.0	60.0	6.0	8.0
• NRI account	10.0	-	-	-	82.0	-	-
• Debit card	-	-	-	22.0	44.0	-	-
• Current account	22.0	18.0	-	32.0	41.0	-	20.0
• Fixed deposit	90.0	30.0	32.0	46.0	81.0	22.0	40.0
• RTGS/NIFT	62.0	31.0	28.0	42.0	70.0	20.0	30.0
• Net banking	80.0	70.0	66.0	82.0	90.0	18.0	26.0
• Visa card	20.0	-	-	66.0	86.0	-	-
• Overdraft against FD	-	-	-	70.0	80.0	-	-
• Money transfer scheme	25.0	30.0	32.0	50.0	52.0	8.0	9.0
• World Travel card	-	-	-	62.0	76.0	-	-
• Gold loan	66.0	52.0	50.0	60.0	55.0	12.0	16.0
• Car insurance	60.0	38.0	34.0	46.0	52.0	8.0	15.0
• Life insurance	70.0	40.0	42.0	80.0	88.0	18.0	40.0
• Health insurance	66.0	42.0	45.0	74.0	84.0	20.0	25.0
• EFT Electronic fund	70.0	48.0	47.0	72.0	86.0	16.0	20.0
• Minor saving account	22.0	8.0	10.0	38.0	50.0	-	10.0

Customers liked the services of ICICI banks because ICICI banks are providing different schemes to customers and reminding the customers about the maturity dates of schemes by doing SMS also and customers like these

services. Bank managers and bank employees are also motivating the customers about their new and different schemes.

Table 4: Level of customer satisfaction in terms of services offered by selected Banks

Sl. No.	Name of Bank	Performance		
		Good	Very Good	Average
1.	SBI	8.0	90.0	2.0
2.	ICICI	6.0	94.0	-
3.	PNB	12.0	80.0	8.0
4.	Bank of Baroda	15.0	72.0	13.0
5.	HDFC	14.0	84.0	2.0
6.	Oriental Bank of Commerce	20.0	70.0	10.0
7.	IDBI	10.0	80.0	10.0

The working of the customers' mind is a mystery which is difficult to solve understanding the nuances of what customer satisfaction is a challenging task. This exercise in the context of the banking industry will give us an insight into the parameters of customer satisfaction and their measurement. In the organized segment, banking system occupies an important place in nation's economy. It plays a pivotal role in the economic development of a country and forms the core of the money market in an advanced country.

Conclusion

The SBI has to implement prompt customer friendly schemes/ portfolios as an initiative go. These would hereby go a long way to enhance the level of customers; satisfaction

References

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thereby rectifying customer worries and alleviate the number of customers as well. Perhaps this would definitely lead to a flourishing economy, since customer satisfaction is the pivot of a successful banking structure. The analysis of the research shows that around two third of their client age are banking with them from more than two years which is commendable in terms of client retention. Also for nearly all of their clients ICICI, private banking is the only solution provider.

Recommendations

1. Educate to customers on financial literacy
 2. Create real customer relationship
 3. Improve internal machinery to handle customer complaints/grievances
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