

A Study on Age wise Satisfaction Level of Customers in Banking Sector

Dr. Mohan S. Rode

People's college, Nanded. (Maharashtra)

Email: mohanrode@rediffmail.com

Abstract- Indian banking industry has transformed the hitherto protected changed in banking scenario, the importance and significance of the customers has increased manifold. The dictum bank exists because of its customers' has become more pronounced and relevant in the present context. Banks have to devise suitable systems and mechanisms to satisfy the needs and expectations of various segments of customers for their survival. Since a small number of customers were serviced by a limited number of branches, the standard of customer service was more or less satisfactory. The geographical spread and expansion of bank branches and the exponential rise in the number of various types of customers which accompanied it led to a quantum jump in the volume of workload at branches. Banks were not prepared to cope with the sudden rise in the number of customers. The limited infrastructure and manpower were inadequate to serve a large clientele, thereby aggravating the problem further.

General Terms- Research Article

Keywords- customer services; banking sector; satisfaction level.

1. INTRODUCTION

As a sequel to market diversification and deregulation as a part of financial sector reforms, the banking industry has been exposed to a fiercely competitive environment epitomized by the emergence of a 'buyers market'. The gradual entry of private and foreign banks into Indian banking industry has transformed the hitherto protected and regulated banking environment to a liberalized and highly competitive one. In this changed banking scenario, the importance and significance of the customers has increased manifold. The dictum bank exists because of its customers' has become more pronounced and relevant in the present context. Banks have to devise suitable systems and mechanisms to satisfy the needs and expectations of various segments of customers for their survival.

2. SIGNIFICANCE OF THE STUDY

The coverage and reach of banks were confined to limited pockets and selected customers. Banks catered to the needs of the industry, big business houses, etc. Since a small number of customers were serviced by a limited number of branches, the standard of customer service was more or less satisfactory. Banks, at their own had never viewed 'customer service' as a problem. Hence, the issue did not attract much attention and concern at any level. With the nationalization of 14 major banks in July 1969, banks were now viewed catalytic agents of growth of the hitherto neglected and backward sectors. The era of 'class banking' gave way to an era of 'mass banking'. The much wanted objectives of nationalization in achieving balanced growth and social justice in the economy have been

laudable but not without a price. The geographical spread and expansion of bank branches and the exponential rise in the number of various types of customers which accompanied it led to a quantum jump in the volume of workload at branches. Banks were not prepared to cope with the sudden rise in the number of customers. The limited infrastructure and manpower were inadequate to serve a large clientele, thereby aggravating the problem further.

3. METHODOLOGY OF THE STUDY:

3.1 Statement of Problem:

Another important aspect, which contributed significantly to the customers' dissatisfaction with the banking services, was the rising expectations of the customers. With the frontiers of knowledge and level of awareness of the customers expanding over the years, their expectations from the banks also rose at a faster pace. The efficient and personalized service rendered by some foreign banks has had a demonstration effect on the customers. Customers expected the same quality of services from Indian banks. The process of 'globalization' also altered the perceptions of the customers about speed, efficiency and quality of service. The demands and aspiration of the customers, Hence, deterioration in the quality of customer service is an offshoot of the post-nationalization expansionary phase of Indian banking

3.2 Objectives of the Study:

1. To examine the changing scenario of bank in the policy formation related to its customers.

2. To study the facts regarding customer orientation program started in Banks.
3. To study the facts about the challenges ahead for the banking industry.
4. To examine on customer suggestion instead of adopting banking policies relating to customer services.
5. To study the modern banking concept based on marketing and service oriented.

3.3 Source of Data:

The study is based on primary & secondary data. Primary data has been collected from persons having their savings account in different banks (including private & nationalized banks in Nanded city) by filling up well – structured questionnaire and through personal meeting with customers. Secondary data was collected from different brochures of different banks, websites of banks, magazines and journals.

3.4 Research Approach:

To collect the primary data, “survey research approach” was adopted for the project and for this communication approach personal interview of the respondent was conducted.

3.5 Research Instrument:

For the collection of primary data, properly structured questionnaire was used. The questionnaire comprises of both close ended and open-ended questions. In case of close-ended questions, Checklist, Liker scales have been included.

3.6 Sampling Process:

It is not feasible to go for a population surveys due to this numerous consumers and their scattered location. Hence, marketers go for intelligent sampling.

In this research, researcher surveyed 320 respondents who were having their savings account in different banks including private & nationalized banks in Nanded city. In this research stratified and convenience sampling method has been used for sampling procedure.

3.7 An Analysis and Interpretation of Data:

Table – 1.1 Account Holders from different banks

Particulars	No. of respondents	Percentage
Private Banks	160	50
Nationalized Banks	160	50
Total	320	100

From the above table it is inferred that out of 320 respondents 160 (50%) having an account with private banks, 160 (50%) having an account with Nationalized bank. Analysis shows that respondents have accounts with private banks, nationalized banks when they compare with foreign banks. A well structured questionnaire was framed by considering the problems faced by the customers in their day to day banking transactions. What are the opinions of customers regarding ideal bank and what are

their appreciations and recommendations, problems-free service, welcoming of suggestions from customer-side by giving good response from banker side for smarter bank it is essential to focus on various factors such operations conducted in day to day banking, curtsey of a staff, quick response, general/correct information availability of materials like slips, brochures etc special focus and customer requirements i.e. smarter customer service at counter

Table 1.2 Agewise Satisfaction Level of Customers for Premises / Ambience

Age	Premises/Ambience				Total
	Highly Satisfi-ed	Satis-fied	Dissatisf-ied	Neut-ral	
18 – 45	6	148	52	18	224
45 – 60	2	38	28	18	86
60 – Above	---	8	2	--	10
Total	08	194	82	36	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	18.428	6	0.005

4 Cells (33.3 %) have expected count less than 5. The minimum expected count is 0.25.

The table no.1.2 indicates that the highlights on agewise satisfaction level of customers for Premises / Ambience. The total numbers of samples are 320. From age group 18 -45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 8, satisfied customers are 194 dis-satisfied, customers are 82, and neutral customers are 36. By applying chi-square test of Karl Pearson on above computed value is 18.428, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.005. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of premises/ambience is independent of different age group.

Table 1.3 Agewise Satisfaction Level of Customers for Attitude / Behaviour of Staff

Age	Attitude / Behaviour of Staff				Total
	Highly Satisfie d	Satisfie d	Dissatisfie d	Neutr al	
18 – 45	2	166	30	26	224
45 – 60	2	36	28	20	86
60 – Above	---	10	--	--	10
Total	04	212	58	46	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	34.492	6	0.000

5 Cells (41.7 %) have expected count less than 5. The minimum expected count is 0.13

The table no.1.3 reveals that the highlights on age wise satisfaction level of customers for attitude/behaviour of staff. The total number of samples are 320. From age group 18-45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 04, satisfied customers are 212 dis-satisfied, customers are 58, and neutral customers are 46.

By applying chi-square test of Karl Pearson on above computed value is 34.492, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.000. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of Attitude / Behaviour of Staff is independent of different age group.

Table no. 1.4 Age wise Satisfaction Level of Customers for Counter Services

Age	Counter Services				Total
	Highly Satisfied	Satisfied	Dissatisfied	Neutral	
18 – 45	2	136	62	24	224
45 – 60	2	48	26	10	86
60 – Above	---	6	2	2	10
Total	04	190	90	36	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	2.537	6	0.864

5 Cells (41.7 %) have expected count less than 5. The minimum expected count is 0.13.

The table no.1.4 shows that the highlights on age wise satisfaction level of customers for counter services. The total numbers of samples are 320. From age group 18-45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 4, satisfied customers are 190 dis-satisfied customers are 90, and neutral customers are 36.

By applying chi-square test of Karl Pearson on above computed value is 2.537, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.864. As computed value is greater than assumed value null hypothesis is

rejected. It may conclude that satisfaction level of Counter Services is independent of different age groups.

Table no. 1.5 Age wise Satisfaction Level of Customers for ATM, Net Banking.

Age	Functioning of ATM, Net Banking				Total
	Highly Satisfied	Satisfied	Dissatisfied	Neutral	
18 – 45	2	166	32	24	224
45 – 60	2	46	22	16	86
60 – Above	---	06	02	02	10
Total	04	218	56	42	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	13.015	6	0.043

5 Cells (41.7 %) have expected count less than 5. The minimum expected count is 0.13.

The table no.1.5 indicates that the highlights on age wise satisfaction level of customers for ATM, Net Banking. The total numbers of samples are 320. From age group 18-45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 4, satisfied customers are 218 dis-satisfied customers are 56, and neutral customers are 42. By applying chi-square test of Karl Pearson on above computed value is 13.015, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.043. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of Functioning of ATM, Net Banking is independent of different age group

Table no. 1.6 Age wise Satisfaction Level of Customers for Services Provided By Marketing Representative

Age	Services Provided by Marketing Representative				Total
	Highly Satisfied	Satisfied	Dissatisfied	Neutral	
18 – 45	---	118	84	22	224
45 – 60	2	24	48	12	86
60 – Above	---	04	02	04	10
Total	2	146	134	38	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson	27.798	6	0.000

Chi – Square			
--------------	--	--	--

6 Cells (50.0 %) have expected count less than 5. The minimum expected count is 0.06

The table no.1.6 reveals that the highlights on agewise satisfaction level of customers for services provided by marketing representative. The total number of samples are 320. From age group 18-45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 2, satisfied customers are 146, dissatisfied customers are 134, and neutral customers are 38. By applying chi-square test of Karl Pearson on above computed value is 27.798, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.000. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of Services Provided by Marketing Representative is independent of different age group

Table no. 1.7 Agewise Satisfaction Level of Customers for Product and Services

Age	Product and Services				Total
	Highly Satisfied	Satisfied	Dissatisfied	Neutral	
18 – 45	---	108	94	22	224
45 – 60	---	26	46	14	86
60 – Above	---	02	02	06	10
Total	---	136	142	42	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	28.455	4	0.000

3 Cells (33.3 %) have expected count less than 5. The minimum expected count is 1.31.

The table no. 1.7 shows that the highlights on agewise satisfaction level of customers for product and services. The total numbers of sample are 320. From age group 18-45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are Nil, satisfied customers are 136 dissatisfied customers are 142, and neutral customers are 42. By applying chi-square test of Karl Pearson on above computed value is 28.455, degree of freedom is 4 and given value/assumed value 2 (sided) is 0.000. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of Product and Services is independent of different age group.

Table no. 1.8 Agewise Satisfaction Level of Customers for Guidance Facility and Other Services

Age	Guidance Facility and Other Services				Total
	Highly Satisfied	Satisfied	Dissatisfied	Neutral	
18 – 45	---	108	94	22	224
45 – 60	---	26	46	14	86
60 – Above	---	02	02	06	10
Total	---	136	142	42	320

	Satisfied	d	d	al	
18 – 45	2	104	80	38	224
45 – 60	4	26	36	20	86
60 – Above	02	---	02	06	10
Total	08	130	118	64	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	35.284	6	0.000

5 Cells (41.7 %) have expected count less than 5. The minimum expected count is 0.25.

The table no.1.8 indicates that the highlights on agewise satisfaction level of customers for guidance facility and other services. The total numbers of sample are 320. From age group 18-45 are 224 customers, age group 45-60 are 86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 8, satisfied customers are 130 dissatisfied customers are 118, and neutral customers are 64.

By applying chi-square test of Karl Pearson on above computed value is 35.284, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.000. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of Guidance Facility and Other Services is independent of different age group.

Table no. 1.9 Agewise Satisfaction Level of Customers for Customer Orientation Programme

Age	Customer Orientation Programme				Total
	Highly Satisfied	Satisfied	Dissatisfied	Neutral	
18 – 45	10	170	16	28	224
45 – 60	10	42	18	16	86
60 – Above	2	04	2	02	10
Total	22	216	36	46	320

Source: Primary Data

Chi – Square Test	Value	DF	Asymp. Sig. (2 Sided)
Pearson Chi – Square	28.161	6	0.000

3 Cells (25.0 %) have expected count less than 5. The minimum expected count is 0.69.

The table no.1.9 reveals that the highlights on age wise satisfaction level of customers for Customer Orientation Programme. The total number of samples is 320. From age group 18-45 are 224 customers, age group 45-60 are

86 customers, age group 60-above are 10 customers. From this samples highly satisfied customers are 22, satisfied customers are 216, dis-satisfied customers are 36, and neutral customers are 46.

By applying chi-square test of Karl Pearson on above computed value is 28.161, degree of freedom is 6 and given value/assumed value 2 (sided) is 0.000. As computed value is greater than assumed value null hypothesis is rejected. It may conclude that satisfaction level of Customer Orientation Programme is independent of different age group.

4. FINDINGS & SUGGESTIONS:

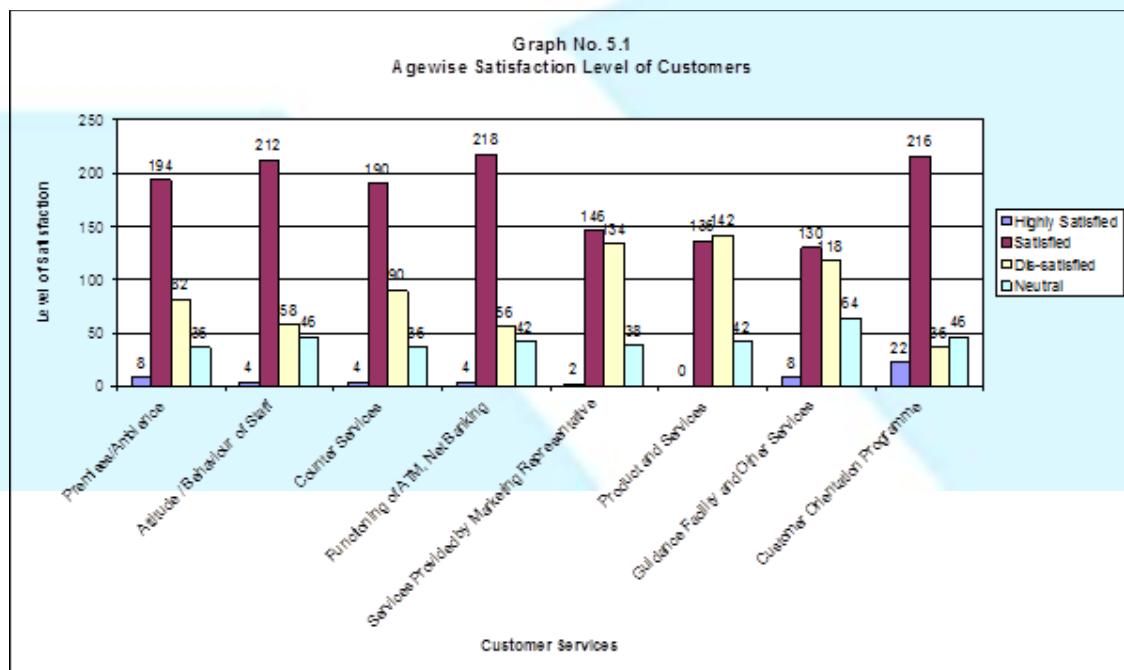
4.1 Findings

Now days every service is chargeable, naturally everybody's expectation goes high to time and money constraints. The above results gives opinion of different customers from private banks & nationalized banks on comparability with foreign banks, different categories i.e. income wise satisfaction level of customers and related parameter customer services such as premises, behaviour etc. Customer has expressed their views at what level they get customer services from private banks & nationalized banks. The above tables and graphs shows that satisfied numbers of customers are higher in compared with highly satisfied. The expectations of customers relating to customer services are very high relating to the highly satisfied level, as every customer service is chargeable. The bank should take initiative in changing above parameters as per the expectations of customers. A customer deals with people who work in the bank premises. He does business only with people. Every opportunity to interact with customer is to make impact in positive way to achieve and develop the customer service.

Every organization now a days trying to reach near to the customer and create impression and confidence to get major share with its organization and building relationship for future prospects. And understanding and removing vacuum between them In the present scenario when competition is tough, the best way for survival is to be in constant touch with the customers and letting them know what bank can do for them. A banker has to be sincere and thoughtful to customers. Sincerity creates confidence. This is the most important reason for a customer to do business with the bank. Banks have to create such service environment that it becomes apparent to customers that doing business with the bank is easy and economically beneficial to them and it is totally stressed free.

4.1.1 Premises – Ambience-customers are not highly satisfied.

In this point, customers are not so much touchy about forms / pamphlets, display of norms and brochures. Customers keenly observed and faced problem about space, sitting arrangement, timing of bank and location of bank and they expressed their opinion. It is found that, as DCB have customers of different age group, senior citizens and house wives with their kids have problem regarding space and sitting arrangement. In rush hours when an important transaction is needed by senior citizen and in that rush they does not find any comfortable sit for waiting. In Suffocation and noisy uncomfortable environment it is totally difficult for that person to wait for some time. If ladies with kids with them are willing to transaction it is also difficult for them as their children irritate very soon in that congested and noisy place for this type of customers space and comfortable sitting is needed and in today competitive era of banking these point are not to be neglected.



4.1.2 Attitude / Behaviour Of Staff-Customers Are Not Highly Satisfied

In present era it is not enough to the bank to only satisfy customer's essential is that customers should be highly satisfied. As already we have discussed customers are of different age groups and some may be new to banking transactions and expect full attention and co-operation by staff and personalized services. High age group also expect prompt and less time consuming transactions and the same is expected by ladies customers also. Here it is expected from bank employee to give full attention to customers and give importance to the valuable time of customers and give prompt services with smiling face. As all customers are of different income groups. Customers should not fill any inferiority employee while conducting with bank employee and all income group customers are must treated equally and the Behaviour and attitude of staff towards customer must responsible as to feel them VIP. The customer services received at counter must be friendly and promptly to avoid the feeling of other bank will give the best services compared with the bank.

4.1.3 Counter Service -Customers Are Not Highly Satisfied.

Considering next point that is **counter service** it includes many of points which are given one by one first is withdrawal / deposit of cash, in this case by taking consideration different type of customer group in respect to age profession and income level.

Secondly courtesy of staff and it is found all queries are not settled by bank employees about cheques and their documentation by giving proper response to customer.

Thirdly problem faced is about speed of conducting operations as discussed earlier. For some customers it is time bound and speedy operations are needed. Customers like high age group and ladies housewives are in need for prompt services.

Delay and inaccuracy in putting though next is errors corrected transaction promptly. There may be some errors in formalities of transactions and operations and that must be corrected promptly other thing is staff must be professional. Customers are only satisfied with this point but to achieve highly satisfaction staff should be professional and personalized thing should not interfere with the banking operations and transactions.

4.1.4 Functioning Of Atm's, Net Banking- Customers Are Not Highly Satisfied.

The ATM is a very successful and final form of electronic fund transfer system. The ATM's is the widely accepted means of electronics funds transfer device in industrial countries. Problems seen by data are ATMs are not in working conditions. Frequently numbers of ATM are less and so that rush is there for transactions. The basic things for operations such as getting ATM cords in proper time limit are should be highly satisfied grade. Net banking facility is satisfied according to data collected but study aims for highly satisfaction.

4.1.5 Service Provided By Marketing Representative-Customers Are Not Highly Satisfied.

It is found by data collected that door step service is not regular. Few customers are only satisfied and study aims to highly satisfied class. As comparative banks are giving prompt door step services for loans and others. Secondly after call for the prompt response customers are selecting only good remark which is not enough as other competitive banks may give excellent services. Third important aspect is that marketing representative should provide detail information about various schemes and products which is not highly satisfied.

4.1.6 Product And Services- Customers Are Not Highly Satisfied.

Next important point and maximum dealing point is product and services. And as customers are covering different age groups, profession groups and income groups in that point of view it is more important as each group is having its own problems and queries regarding this point in this aspect the first point is checking services customers always prefers comparatively less charges for services for checking and verifications of signatures and etc. In comparison to other banks if, fees / service charges are less than it is preferred by customer. Lack of uniformity in bank charges is also one of the factors which affect on customer satisfaction.

4.1.7 Guidance Facility And Other Services- Customers Are Not Highly Satisfied.

Customers are not always well acquainted with all banking procedures and scheme which are beneficial to them and many a time they need help in various steps in transactions and other banking operations. Customer expect to bank acceptance of small denomination notes as the small income groups of customers are also include in their customer range. Also customer expect to exchange soiled and cut notes us it is only a way to exchange that used up currency again if the time deposit is matured bank should intimate that customer as these services are provided by other competitive banks. Staff and incharge of branch are expected to council customers and listen their difficulties carefully. As per data obtained overall opinion about this point is not highly satisfied

4.1.8 Customer Orientation Programme- Customers Are Not Highly Satisfied.

Customer orientation programme is most important programme in this competitive era to look into inside and criticize about whole strategies, schemes, and facilities and other factors and as well to know what customer want and to serve customer in excellent manner to know what problems are faced by the customers and what are the valuable suggestions of the customer. But for these benefits it is needed that these programme should be conducted time to time and frequently and branch manager should conduct meets between customers and bankers and open discussions on the problems of customers and take initiative to overcome them suggestions during this programme are to be noted and as per it implementation in

solving bank's problems should be there. Customers are highly satisfied in this point according to data collected.

4.2 Suggestions

Satisfaction is now a very important aspect of customer, now a days due to education and technology customer are knowing what issues are going on as a banker we have to clearly satisfy them. Now we will find our marketers are the our customers they making advertisement of our bank in what manner we are providing the services of different product to them. The services provide by the banker will affect in rising the customer accounts and enhance the customer base. By giving advertisement in various media are less important but the communication by our customer to their friends and relatives in general talk and their relationship in market much affect our business.

Now a days a fight for survival is becoming drastic because of new foreign banks arrived into market, therefore every bankers has to be more careful in providing services to customer and satisfying the needs as an when they expects resulted in enhancing the share of customer base in competitive market.

Providing satisfaction is an art.

5. CONCLUSION

Banking is certainly a different ball game now than in 1990. It is no longer all about the 9 to 5 across the counter jobs which banking institutions professed. Very soon the Strategic Business Unit concept would catch up with the banks; wherein every single unit of a Bank would have to necessarily contribute to the profits of the parent or else face annihilation. In this line, banks doling out their names for setting up units far and wide on a franchisee basis are very much a possibility. Transfer price mechanism, asset liability management etc. would be branch specific and would be taken care of by the units themselves in the very near future. There are enough pointers presently towards this. Each and every branch could be quoting its own rates of interests for deposits or borrowings, charges etc. subject to a particular ceiling of the head office/RBI, in order to pursue that kind of business alone which would be in its best interests possible; depending on the market segmentation and customer profile around. IT and Knowledge Management would ensure that banking in future would be more of a mind game. Everything would be customer driven and he will call the shots.

To conclude, banks could be financial intermediaries for anything that the customers might be wanting within the regulatory and other legal parameters define. Banking in that sense could be as imaginative as anybody's fertile imagination.

BIBLIOGRAPHY

- [1] Jadhav Narendra 1996 Challenges to Indian Banking Mac Millan Publication Delhi.
- [2] Chaston I. 1993 Customer focused marketing action for delivering greater internal and external customer satisfaction. Mc Graw Hill Book Company London.
- [3] Mc Coy J.B.; Frieder L.A.; Hedges R.B. 1994 Bottaomline Banking Meeting the Challenges for survival and success. Professional publishing Chicago
- [4] Suneja H.R., 1994 Innovations in Banking services Himalaya Publishing House Bombay P. 390.
- [5] Muthiah M.M., 1976 'How To Improve Customer Service In Banks', Capital, 176(4395), 57-58.
- [6] Pande, P.D.1974'The Changing Spectrum of Banking', The Journal of the Indian Institute of Bankers, 45(2), 116-19.
- [7] Upinder Dhar and other eds. 2003 Changing trends in management Challenges and opportunities, Excel Books New Delhi. 372.
- [8] Ashakant And Nit Gupta,1976 'Changing Landscape of Banking-Performance Evaluation', *The Journal of the Indian Institute of Bankers*, Vol. 47, No. 1, 29-39.
- [9] Dr. Madan Lal Bhasin Dec. 2006 Data Mining in Banks: perspectives and Prospects, *The Indian Banker* Vol. I No. 12. 32-37.
- [10]Dr. Sourendra Nath Ghosal March 2007 Indian Banking Needs Vision and Inovation, *The Indian Banker* Vol. II No. 3. 15-17.
- [11]Dr. Firdos T. Shroff, 2006 "Taking Banking services to the common Man Financial Inclusion". *The Indian Banker* Vol. I No. 10 33-37.
- [12]P.K. Manoj 2003 Retail Banking: Strategies for success in the Emerging Scenario, *IBA Bulletin* Vol. XXV No. 11 . 18-12.