



Customer satisfaction in public and private sector banks in Mayliduthurai District

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Abstract

Because consumers have the most power in the market, it is crucial to meet their demands and goals in industries like banking, especially in private and public banks where offering these services is crucial. Consumers expect their needs and wants to be met, and they also expect to have consistent opinions about how well the service meets their expectations. The phrase "customer satisfaction" refers to the supply of services either before or during the performance of a service, as well as the use and management of time for each and every single activity that banks carry out. This is a result of the complex activities that developed after the services were completed and the clients' initial needs were met. Therefore, it is crucial to assess how customers view and expect to be served in the banking sector.

Keywords: Customers, services, private bank, individuals, public bank, satisfaction

Introduction

The nation's economy as a whole benefits from the borrowing and lending activities carried out by contemporary public and private banks. The bank's operations, which include taking deposits and making loans, expose it to a variety of financial dangers. These risks include "credit risk, liquidity danger, market uncertainty, and operational risk." Effective risk management is largely responsible for the profitability of public and commercial banks. The amount of capital required of private and public sector banks is correlated with how they manage these risks. Risk management becomes a crucial component for banking organisations because banks are highly leveraged financial institutions that are required to protect depositor funds in the case of any unfavourable circumstance. Any negative situation that the banks face may also have an impact on other sectors of the economy. The efficiency and security of risk management initiatives inside an economy's financial sector are therefore highly valued by regulators. Furthermore, new advancements in technology have put the financial sector at greater risk. The most cutting-edge risk management techniques must therefore be used by public and private banks that provide a broad range of goods and services to a large variety of customers worldwide. Commercial banks from the public and private sectors, which are regarded as the essential components of the financial system, play a major role in the Indian economy. The Reserve Bank of India (RBI) is the primary regulator of commercial banks in India. "Public sector, private, and foreign banks" is the precise definition of "commercial banks." The importance of commercial banks to the growth of the economy led to the nationalization of fourteen banks in 1969 and six more in 1980. As part of the broader organised changes being carried out, India's heavily regulated banking industry started to see further improvements starting in 1991. The financial sector's deregulation and the emergence of cutting-edge banking services and products have made credit risk management more crucial. Due to an increase in nonperforming assets, the Indian banking industry has entered a phase of change,

and given the current situation, maintaining financial stability is crucial. As a result, the effectiveness of a bank's credit risk management strategies is impacted. The study's main goal is to assess how bank performance drivers affect the overall performance of banks that operate in both the public and private sectors. The current study aims to examine the impact of financial crises, macroeconomic factors, and bank-specific regulatory standards (Basel norms) on the performance of public-sector banks operating in India. Robust regression techniques will be used to achieve this.

Review of Literature

E-banking, according to Sneha R. (2022), is the electronic provision of financial services. In the fast-paced world of today, every bank must comprehend the needs of its clients. Customer satisfaction is impacted by service quality. The study looks at how customer satisfaction at Indian Overseas Bank, Canara Bank, Punjab National Bank, ICICI, and HDFC is impacted by the quality of online banking services. To find out how online banking quality affects customer satisfaction in Karnataka, an exploratory survey was carried out. Convenience sampling was used to reach Karnataka's online banking clients. 192 online bank customers in Bangalore, Mysore, Mangalore, Hubli, and Ballari provided the data. Service quality across all categories was found to have a significant impact on the satisfaction of online banking consumers. Efficiency, system availability, fulfilment, privacy, contact, response, and interactivity account for 71% of customer satisfaction with online banking in both public and private banks. According to Janakiraman (2022) [7], the global banking industry is known for its competitive and chaotic growth, and India is no different. Examples of non-banks joining the banking sector are Airtel Payment Bank and GM auto loans. Customers now have a wide range of banking options. Internet banking is desired by banks, brokerages, securities businesses, and insurance. This study explains how sampling bank customers in Bangalore might improve its efficacy. Since this is expected to become the norm, its

effectiveness needs to be increased. Randyantini (2022) investigated the relationship between e-banking operational effectiveness and service quality. The study's primary data came from the e-banking user community. A written questionnaire was distributed to 150 responders. Respondents were selected through non-probability sampling. Service quality (X1) is the study's independent variable, while e-banking operational effectiveness (Y) is its dependent variable. This study discovered that the operational efficacy of e-banking is influenced by service quality. According to Jeevitha (2022), the banking industry is the most significant service sector. For both individuals and institutions, e-banking has simplified and expedited the banking process. Modern technology enables banks to use online or e-banking for everyday banking while cutting expenses. E-banking benefits clients and cuts down on bank visits. The usefulness of e-banking in rural and semi-rural areas is examined in this study. There are 120 responders in the sample. In this study, the survey method was employed. A questionnaire was used to collect the data. To assess the alternative hypothesis and achieve objectives, statistics were used. A survey on the effectiveness of e-banking users in rural and semi-urban areas.

Importance

In the system of monetary transactions, banking performs an important and necessary role in both the public and private sectors. To ensure the health of the Indian monetary systems, it is essential to focus on new technologies and updates in order to monitor the currency transactions that occur on digital platforms.

The study's goal

To study the satisfaction level of the customers about services of private and public sector banks in Mayiliduthurai District.

Hypothesis

The study is based on objectives the following null hypothesis was formulated and tested for the study.

H₀₁: There is no significant difference between satisfaction and services offered by Private and Public sector of banks.

Methods of Research

Both main and secondary data support the current investigation. Primary data is provided from a variety of fair pricing shop employees. To learn more, one should consult a variety of books, periodicals, journals, essays, theses,

websites, and other sources. The gathering, processing, and analysis of primary data satisfy every goal of the study. A well-planned interview schedule using a 5-point Likert scale will be used to gather data on work-life balance.

Design of an Example

Random sampling were used to get the primary data. A questionnaire was used to perform a field survey. With a sample size of 400 clients in the Mayiliduthurai District—200 of whom are from both public and private sector banks—the study is carried out using a simple random sampling technique.

Statistical Tools

The T-test, simple percentage analysis and ANOVA has been used to analyze the connection toward satisfaction of customers in banking sectors.

Table 1: Age of the Respondents

S.No	Age of the Respondents	No. of respondents	Percentage
1	Upto 20 years	130	32
2	21 - 30 years	35	10
3	31 - 40 years	210	52
4	Above 41 years	25	6
Total		400	100

Primary data

The above table 4.1 shows that the age-wise classification is the respondents. The report 32% of the respondents were below 20 years respondent, 52% of the respondents were above 31-40 years respondent and 10% respondent were 21 – 30 years the respondents were above 41 years respondent

Table 2: Monthly Income of the Respondents

S.No	Age of the Respondents	No. of respondents	Percentage
1	Upto 10,000	59	15
2	10,001 to 20,000	152	38
3	20,001 to 30,000	90	22
4	30,001 and above	99	25
Total		400	100

Primary data

The above table 4.7 shows that the nature of salary is the respondents. The report 38% of the respondents were 10,001 to 20,000 then 15.% of the respondents 10000 - about respondents, 22% of were above 20,000 - 30,000 respondents and 25% respondent were 30,000 and above nature of salary.

Table 3: Customer Satisfaction on Services Provided by Private and Public Banks

S. No.	Variables	Level of Expectation					Total
		VH	H	M	L	VL	
1.	The service commission and charges are reasonable and fair	110	90	50	75	70	400
		27	23	15	18	17	100.00
2.	The employees behaviour in the banks towards customers	125	120	80	34	41	400
		30	29	21	9	11	100.00
3.	The access of bank is easy and banks have good network facilities	250	50	30	40	20	400
		61	15	7	10	5	100.00
4.	Bank personnel makes reasonable value generation to customers	100	110	70	80	40	400
		24	27	17	20	10	100.00
5.	The banks have well-expertise professionals	38	192	105	35	20	400
		9	47	26	11	7	100.00
6.	Bank employees are knowledge to answer customers' questions	95	125	80	70	25	400
		23	33	20	18	6	100.00

7.	Availability of ATMs and 24x7 Cash Availability	55	110	75	100	60	400
		13	27	20	24	16	100.00
8.	The bank gives prior clear instructions related to transactions to all sort of customers	217	50	65	45	23	400
		53	13	16	12	6	100.00
9.	The services are provided with user friendly and on time services with 100% accuracy	139	116	75	25	45	400
		35	29	19	6	11	100.00
10.	Bank layout are convenient with all activities availability with on time support	60	100	162	48	30	400
		15	24	39	12	10	100.00

Source: Primary Data

Table 1 shows the highly expected service quality variables is 'Availability of ATMs and 24x7 Cash Availability', 'The employees behaviour in the banks towards customers', 'The services are provided with user friendly and on time services with 100% accuracy', 'Bank layout are convenient with all activities availability with on time support', 'Bank employees are knowledge to answer customers' questions', and 'The banks have well-expertise professionals, since the expectation level of these variables are above 29 percent acceptance among the customers. The 'The service

commission and charges are reasonable and fair', 'access of bank service is easy and good network', bank layout are convenient' and 'bank gives clear instructions; since the expectation level of these variables are above 35 percent acceptance among the customers.

However, least expected variables in service quality are 'bank personnel makes reasonable value generation to customers; and banks have well-trained service personnel' since the acceptance is very less among the customers.

Table 4: Satisfaction towards Facilities Provided by Public and Private Sector Banks

S. No.	Variables	SA	A	N	DA	SDA	Total
1.	Ease in getting all sorts of documents from banks (Plastic cards, passbook, cheque book, etc.)	90	32	85	50	143	400
		22	8	22	13	35	100.00
2.	Giving prior information and due date for customers references	150	95	55	15	85	400
		36	23	15	5	21	100.00
3.	Basic facilities to customers (Water, Parking, Restrooms, waiting room, etc.).	115	85	65	55	80	400
		28	22	17	13	20	100.00
4.	Informing all details and precautions regarding fraudulent activities and remedies	130	32	40	55	143	400
		31	8	11	13	35	100.00
5.	Giving necessary details about like account details, transaction history, bank statement, etc.	140	90	100	20	50	400
		34	22	24	5	15	100.00
6.	Loan facilities and process are very easy for customers to avail loans	110	60	75	60	95	400
		27	15	18	17	23	100.00

Source: Primary Data

Table 2 shows the important categories of the satisfaction level of physical facilities of the respondents in the public and the private sector bank customers. The importance given by the bank customers shows majority of the customers that is 36 percent are satisfied with basic amenities and 34 percent satisfied with access of operating counters in the banks. The Basic facilities to customers (Water, Parking, Restrooms, waiting room, etc.). (28), giving necessary details about like account details,

transaction history, bank statement, etc. (34) and Loan facilities and process are very easy for customers to avail loans things (27) are also highly significant physical facilities in the banking. The Giving prior information and due date for customers references are less satisfied factors of physical facilities in the banking.

ANOVA Test of Income and Satisfaction

Table 4: Income and customer Satisfaction

Variables	Income	N	Mean	S.D.	F Value	Sig.
The service commission and charges are reasonable and fair	Upto 10,000	59	4.28	1.23	4.498	0.05*
	10,001 to 20,000	152	4.52	1.53		
	20,001 to 30,000	90	2.25	0.23		
	30,001 and above	99	3.55	1.52		
	Total	400	3.56	1.36		
The employees behaviour in the banks towards customers	Upto 10,000	59	4.63	0.56	3.862	0.10*
	10,001 to 20,000	152	3.56	0.46		
	20,001 to 30,000	90	2.27	0.26		
	30,001 and above	99	1.35	0.13		
	Total	400	2.69	0.22		
The access of bank is easy and banks have good network facilities	Upto 10,000	59	1.36	0.36	2.360	0.25*
	10,001 to 20,000	152	3.05	0.89		
	20,001 to 30,000	90	4.36	1.00		
	30,001 and above	99	4.36	1.03		
	Total	400	3.24	1.03		
Bank personnel makes reasonable value generation to customers	Upto 10,000	59	2.36	1.06	1.692	0.44*
	10,001 to 20,000	152	3.36	1.05		

	20,001 to 30,000	90	2.69	1.22		
	30,001 and above	99	3.33	0.50		
	Total	400	3.25	1.48		
The banks have well-expertise professionals	Upto 10,000	59	2.89	0.49	3.692	0.05*
	10,001 to 20,000	152	3.26	1.63		
	20,001 to 30,000	90	3.23	1.23		
	30,001 and above	99	2.36	1.11		
	Total	400	3.24	1.74		
Bank employees are knowledge to answer customers' questions	Upto 10,000	59	3.21	1.00	3.223	0.11*
	10,001 to 20,000	152	2.36	1.51		
	20,001 to 30,000	90	3.26	0.47		
	30,001 and above	99	4.62	0.48		
	Total	400	1.36	1.74		
Availability of ATMs and 24x7 Cash Availability	Upto 10,000	59	3.62	1.00	2.336	0.13*
	10,001 to 20,000	152	3.05	1.51		
	20,001 to 30,000	90	2.23	0.74		
	30,001 and above	99	4.65	0.31		
	Total	400	3.36	1.44		
The bank gives prior clear instructions related to transactions to all sort of customers	Upto 10,000	59	1.69	0.11	3.320	0.22*
	10,001 to 20,000	152	2.82	0.24		
	20,001 to 30,000	90	4.62	1.49		
	30,001 and above	99	3.60	1.36		
	Total	400	3.56	1.36		
The services are provided with user friendly and on time services with 100% accuracy	Upto 10,000	59	3.69	1.00	2.140	0.23*
	10,001 to 20,000	152	3.02	1.51		
	20,001 to 30,000	90	2.69	0.55		
	30,001 and above	99	4.62	1.66		
	Total	400	3.38	1.44		
Bank layout are convenient with all activities availability with on time support	Upto 10,000	59	1.05	0.38	.152	0.89
	10,001 to 20,000	152	1.07	0.74		
	20,001 to 30,000	90	1.69	0.31		
	30,001 and above	99	1.89	0.66		
	Total	400	1.25	1.22		

Based on Primary Data * Sig.@5%

The calculated F values on 4.498, 3.862, 2.360, 1.692, 3.692, 3.223, 2.336, 3.320 2.140, are significant at five present levels. These values signify that there is on significant difference in income and customer satisfaction. Therefore the stated null hypothesis is rejected. The calculated data F values.152 Therefore the stated null hypothesis is accepted. However, this clearly shows that

customer satisfaction have income 10,000 to 20,000 in secondary and primary moves that other income and customer satisfaction.

ANOVA Test of Satisfaction towards Facilities Provided by Public and Private Sector Bank

Table 5: Satisfaction towards Facilities Provided by Public and Private Sector Bank

Variables	Income	N	Mean	S.D.	F Value	Sig.
Ease in getting all sorts of documents from banks (Plastic cards, passbook, cheque book, etc.)	Upto 20 years	130	4.25	1.36	8.660	0.00*
	21 - 30 years	35	4.77	1.45		
	31 - 40 years	210	4.89	1.23		
	Above 41 years	25	4.39	1.56		
	Total	400	1.98	1.36		
Giving prior information and due date for customers references	Upto 20 years	130	4.69	1.46	4.960	0.05*
	21 - 30 years	35	3.56	1.49		
	31 - 40 years	210	3.77	1.69		
	Above 41 years	25	2.96	0.33		
	Total	400	3.66	0.99		
Basic facilities to customers (Water, Parking, Restrooms, waiting room, etc.).	Upto 20 years	130	4.15	1.33	3.669	0.05*
	21 - 30 years	35	3.05	1.56		
	31 - 40 years	210	3.95	1.00		
	Above 41 years	25	4.24	0.69		
	Total	400	4.00	1.14		
Informing all details and precautions regarding fraudulent activities and remedies	Upto 20 years	130	4.63	1.36	3.029	0.13*
	21 - 30 years	35	3.25	0.89		
	31 - 40 years	210	3.20	1.45		
	Above 41 years	25	2.99	0.11		
	Total	400	3.06	1.15		
Giving necessary details about like account details, transaction history,	Upto 20 years	130	4.56	1.66	11.302	0.00*
	21 - 30 years	35	4.25	1.25		

bank statement, etc.	31 - 40 years	210	4.74	1.42		
	Above 41 years	25	4.22	1.33		
	Total	400	4.30	1.33		
Loan facilities and process are very easy for customers to avail loans	Upto 20 years	130	3.41	1.58	2.650	0.36*
	21 - 30 years	35	2.22	3.56		
	31 - 40 years	210	3.24	1.30		
	Above 41 years	25	4.62	1.42		
	Total	400	3.30	1.33		

Based on Primary Data * Sig.@5%

The test of F values year of experience and the Test of Satisfaction towards Facilities Provided by Public and Private Sector Bank. It is 48.660,4.960, 3.669,3.029,11.302, 2.650, are significant differences in the study. Therefore the stated null hypothesis was rejected. However, this clearly shows that teachers have experience up to 20 years and 21-30 years move that other experience and Test of Satisfaction towards Facilities Provided by Public and Private Sector Bank.

Findings

- 34% respondents claim that giving necessary details about like account details, transaction history, bank statement, etc. from banks are strongly agree the statement towards satisfaction of services.
- Out of a total of 400 respondents, 110 of them are in agreement (27%) that the availability of cash and automated teller machines exceeds expectations.

Suggestions

- According to the findings of this study, clients should be mentally prepared to embrace e-banking services based on banking practices that are used in both public and private banks. This is the systematic orientation and education of clients, and the introduction of online banking should be done with appropriate safety and security measures by the bankers in both of the recognized sectors.
- The findings of this study indicate that both public and private banks are capable of providing necessary help to a sufficient number of clients. Furthermore, the information and support provided by officers should be made available to customers in their native language.
- It has been stated that the applications and other electronic services offered by banks, whether they are public or private, should be accessible to all individuals who are illiterate. Furthermore, these applications should be easy to comprehend by utilising basic and regional languages.

Conclusion

It provides a fresh perspective to the banking industry, as well as to users and beneficiaries. The provision of online banking services by both public and private banks is an example of an outstanding technological advancement in the banking sector. In order to complete transactions, we do not need to go to the bank. Instead, you are able to access your account whenever you want, from wherever you are in the world, and you can do so whenever we have the time to do so, rather than when the banks are open. In light of the fact that customers have a high level of awareness regarding automated teller machines (ATMs) and internet banking, while their awareness of other services such as mobile banking, credit cards, smart cards, and so on is low, the adoption of ATMs was the highest, followed by internet

banking, credit card, and mobile banking, all of which are now offered by both sector banks with very easy services.

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