

## **A STUDY ON CUSTOMER SATISFACTION ON HDFC BANK SERVICE IN TIRUVANNAMALAI TOWN**

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### **ABSTRACT**

Bankers accept deposit from the public and lend money to those who need it. Now a days many private sector banks are offering service to public. Attracting the public and maintaining them is a challenging one to the private sector bank. Most of the people prefer public sector bank due to several reason such as safety, long run, standard return etc. Here, the role of private bank is very critical so that it offer many services and fulfill the requirements needed by the customers. In this study the researcher made an attempt to study the services offered by HDFC bank Tiruvannamalai. 100 respondents were selected by using convenient sampling method. Questionnaires were distributed to collect the required information. Simple percentage and chi-square method were used to analyze the data. The result showed that 88% of the respondent are satisfied about the service provided by the banker and there is no relationship between income and the purpose of holding account whereas, there is a relationship between the income and the level of satisfaction.

**KEYWORDS:** Customer Satisfaction, Bank Service, HDFC Bank

### **INTRODUCTION**

Every business is trying to make its products/services more popular and they try to be successful. But all business does not succeed due to several reasons. One of the most important reasons is consumer's service satisfaction. It is very difficult to predict and understand this, obviously, it becomes important for every business to concentrate on consumer and their behavior.

Profits from customer relationship is the major aspect of all business so the basic objective of any business is profit maximization through customer service, but it is always difficult to get customer service satisfaction. A consumer may not be aware of his deeper motivations and may change his mind at any stage.

In olden days, marketers had close direct contact, with the consumer which enabled them to understand consumer. But the growth in the size of firms and markets has made it impossible on the part of the marketers to have such a close contact.

The trend of today's business is totally different as the importance goes on with marketing. In the competitive world of business, without paying attention to marketing the business will never be successful.

Inspire of such diversities among consumer there are many similarities among them to find they. The study of target, customers wants perceptions, shopping and customer satisfying to be helpful, as it will provide the information necessary for developing new schemes, channels, communication and others marketing elements.

Consumer analysis seeks to determine underlying currents and cross currents in the consumer's minds. It focuses on the causes rather than the results of effective marketing, strategy and tactics employed by the firms that are successful in the markets.

## REVIEW OF LITERATURE

Turnbull (1982) "The role of Branch Manager in the marketing of bank services was evaluated by in the North West region of one of the major clearing banks in England. The knowledge and attitude of managers towards marketing and the communication process between himself and his customers were evaluated in this study.

Archana Mathur (1988) In her study on the position of customer service of State Bank of India and State Bank of Bikanir and Jaipur found that majority of the customers were taking advantage of savings bank account. Nearly 57 percent respondents were dissatisfied regarding passbook entries. The general environments of the banks were satisfying to the respondents. More than 80 percent of the customers interviewed held the view that was need for improvement in bank services. The degrees of consciousness about bank services among the customers were as high as 57 percent and the behavior of the bank staff was found satisfactory.

The overall reactions of customers towards the Syndicate Bank are dealing with credit in Nellore district of Andrapradesh was examined and assessed the attitude of customers towards bank credit in raising their living standards by Malayadri (1988). It was revealed that majority of the borrowers were satisfied with the bank personal in understanding and helping to solve their problems, providing advice and assisting in proper utilization of credit.

A comparative study of customer service in public sector and private sector banks had been undertaken by Raganathan (1988) in Coimbatore district of Tamil Nadu. He touched up on a few parameters of customer service such as efficiency or speed of the transactions and behavior of bank staff. The study revealed that private sector banks were providing comparatively better services than public sector banks.

Sarkar (1989) attempted to find out the extent of utilization of existing services by corporate customers and to identify the difficulties faced by them in availing the existing service of UCO bank. He observed that the sample bank has not been able to attract an appreciable extent of new customers. Non-fund based services like letter of credit, letter of guarantee, underwriting management etc. were not availed to an appreciable extent. The difficulties and complaints were mostly on delay in credit decision, delay in counter service, remittance and attitude of staff. The study recommends that's at the corporate level the culture of marketing has to be developed by conscious effort.

Brahmanandam (1990) tried to find out the problems of customers in transacting with bank branches and to measure the extent of customer satisfaction with the service of banks. The study revealed that convenient location and suitable timings have played a dominant role in selecting a branch. Punctuality in opening and closing the branch was observed and at times work even extended beyond normal hours to clear off waiting customers.

In a survey on the implementation of customer service on public sector banks in Kerala, Purushothaman Nair (1991) highlighted that the performance of implementation of customer service measures in the public sector banks in Kerala was average. The customer services rendered by urban branches were better than that of rural branches.

The study on credit card marketing of Andhra Bank undertaken by Nagaraj.L (1991) to identify the potential segments for formulating appropriate strategies and assessing the level of satisfaction are credit card holders.

Sathish.N (1992) evaluated the quality of customer service in public sector banks so as to find out the reason for the deterioration of customer service in these banks. This study has used five variables such as employee's attitude, basic amenities, speed of transactions, customer redresses offered by banks to evaluate the customer service. It was found that most of the customers of public sector banks have been treated courteously by bank staff Availability of basic amenities were also found satisfactory.

Srivastava (1994) attempted to find out the extent of satisfaction with customer service offered by four premier nationalized banks from Northern and Southern regions. The study brings out some of the critical areas of customer dissatisfaction. Majority of customers surveyed opined that the banks were not opening at the proper time and too much delay in opening accounts and other transactions. The study strongly recommended marketing approach in the functioning of these banks.

Rajagopala Nair (1994) studied the rural bank marketing performance in Kerala and evaluated the products or services offered by the banks in rural areas. He has also tried to examine the diversified needs of rural customers in the state through a field survey of 250 rural bank customers in Ernakulam district. The study showed that proximity quick loan facility and better services were the three major variables influencing the rural customer for selecting the banks.

The above review reveals that, many studies were taken place regarding customers' satisfaction on services provided by the banks. With the help of the reviews the researchers have formulated the objectives to study the customers satisfaction on services provided by the HDFC bank located at Tiruvannamalai Town.

## OBJECTIVE OF THE STUDY

- To determine the satisfaction level of HDFC Bank customers.
- To study the expectation of HDFC bank customers.
- To study the services offered by the HDFC bank to its customers.
- To give suggestion for the problems faced by the customers.

## HYPOTHESIS

- **Ho:** There is no relationship between income and purpose of holding account in HDFC Bank.
- **Ho:** There in no relationship between income and level of satisfaction of the customers.

## RESEARCH METHODOLOGY

Questionnaire method is one of the best ways to collect the accurate information from the respondent. So the researcher has used questionnaire for collecting the required data. It contain 30 questions which were related to the satisfaction level, customers expectation, purpose of maintaining account with HDFC bank and etc., For analyzing the customers satisfaction of the HDFC bank the researcher selected, Tiruvannamalai town as the research area. Since the universe of the study is infinite, convenient sampling has been used. The sample size was decided to be one hundred. The sample covered different classes of customers in different level.

## STATISTICS TOOLS

Percentage and Chi-Square method were used to analyses the data.

## FINDINGS

### Hypothesis [1]

**H<sub>0</sub>:** There is no relationship between income and purpose of holding account.

**H<sub>1</sub>:** There is relationship between income and purpose of holding account.

Calculated value = 15.79

Degree of freedom : (C-1) (R-1)

: (4-1) (5-1)

: 12

At 5% level of significant Table value = 21.026

### Results

Table value is more than the calculate value so that the Null hypothesis should be accepted and alternate hypothesis should be rejected. There for is no relationship between income level and purpose of holding the account.

### Hypothesis [2]

**H<sub>0</sub>:** There is no relationship between income and level of satisfaction of the customers.

**H<sub>1</sub>:** There is relationship between income level and level of satisfaction of the customers

Calculated value = 19.65

Degree of freedom : (C-1) (R-1)

: (4-1) (4-1)

: 9

At 5% level of significant Table value = 14.684.

### Results

Table value is less than the calculate value so that the Null hypothesis should be rejected and alternate hypothesis should be accepted.

Therefore there is a relationship between income level and level of satisfaction of the customers

## FINDINGS

- 50% of the respondents are between the age group of 30-40.
- The most of the respondent are belongs to male category.
- 56% of the respondents are married.

- 54% of the respondents are under the category of school education.
- The majority of 58% respondents are employed.
- Most of the respondents (40%) monthly income level is 10,000-20,000.
- 80% of the respondents are savings less than 5,000 per month out their income.
- The most of the customers are saving the money to meet their emergencies.
- 64% of the respondent are having savings account.
- The most of the respondent are holding the account for the purpose of savings.
- 80% of the respondents are individual account holders.
- 36% of the respondents are maintaining the account for less than 1 year but more than 6 months.
- 76% are using the bank once in a month.
- Most of the respondents are preferred ATM transaction.
- 66% of the respondents are satisfied.
- 30% of the respondents are inspired by ATM services as well as E-bill payment.
- 88% of the respondents are satisfied about the services provided by the banker.
- 74% of the respondents are satisfied with the customer relation by the bank staff.
- The most of the respondent are getting loan facility from the HDFC bank.
- The most of the customers are having good relationship with customers.

## RECOMMENDATIONS

- The HDFC bank should focus more on customer satisfaction.
- The HDFC bank should work towards developing strong attitude among customers, delivering service and offering service efficiently thereby offering customer's value for money and evoking positive feelings among them.
- The study has contributed a branding model for banks in particulars and services industries in general.
- The study has also revealed that banks have to create service brands which will lead to positive verdict from customers, which can thus improve the marketing initiatives of the bank.
- The banks should equip themselves with modern infrastructure.
- The banks should conduct research to understand the specify needs of the customers and give personal attention to different customers.

## CONCLUSIONS

Private sector banks have transformed themselves into profit oriented organizations besides playing a developmental role in the economy. In an attempt to be more profitable, the bank has become competitive and more customers oriented. The bankers are now under tremendous pressure to retain the older customer because of the competition in the banking sector. This would not only ensure better customer relation but also loyalty among them, which is very critical and important in today's competitive world. Bankers have started acknowledging the importance of the customers in developing their business. They have recognized that it is essential to protect and grow its customer base and ultimately its profitability. The banker can do it by building a strong relationship and providing quality services to the customers to retain them for long run.

## DATA ANALYZES AND INTERPRETATION

**Table 1: Demographic Variables**

<b>Age</b>	<b>Respondents</b>	<b>Percentage</b>
20 - 30	25	25.0
31 - 40	50	50.0
41 - 50	15	15.0
50 Above	10	10.0
<b>Total</b>	<b>100</b>	<b>100.00</b>
<b>Gender</b>	<b>Respondents</b>	<b>percentage</b>
Male	60	60.0
Female	40	40.0
<b>Total</b>	<b>100</b>	<b>100.00</b>
<b>Marital status</b>	<b>Respondents</b>	<b>Percentage</b>
Single	44	44.00
Married	56	56.00
Widow	0	0
Widower	0	0
<b>Total</b>	<b>100</b>	<b>100.00</b>
<b>Literacy Level</b>	<b>Respondents</b>	<b>Percentage</b>
Illiterate	6	6.00
Schooling	54	54.00
Graduation	34	34.00
Post Graduation	4	4.00
Others	2	2.00
<b>Total</b>	<b>100</b>	<b>100.00</b>
<b>Occupation</b>	<b>Respondent</b>	<b>Percentage</b>
Employed	58	58.00
Profession	6	6.00
Business	22	22.00
Retired	2	2.00
Others	12	12.00
<b>Total</b>	<b>100</b>	<b>100.00</b>
<b>Income</b>	<b>Respondents</b>	<b>Percentage</b>
Up to10000	36	36.00
10000-20000	40	40.00
20000-30000	24	24.00
Above-30000	0	0.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

Source: Primary Data

The above table shows that 50% of the respondents are under the age group of 31-40, 60% of respondents are male, 56% of the respondents are married and 54 % of the respondents are under the category of school education. Likewise, majority of 58% of the respondents are employed and most of them (40%) are earning between 10, 000 to 20,000 as their monthly income.

**Table 2: Average Monthly Savings**

Monthly Saving	Respondents	Percentage
Less than 5000	80	80.00
5000- 10000	12	12.00
10000- 20000	4	4.00
Above 20000	4	4.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

Source: Primary Data

The table shows the monthly saving by the customer in HDFC Bank. 80% of the customers are saving less than 5000 per month followed by 12% (5000-10000 per month), and 4% each by 10000-20000 and Above 20000 per month.

**Table 3: Type of Account**

Account	Respondent	Percentage
Savings A\C	64	64.00
Fixed deposit A\C	26	26.00
Current A\C	6	6.00
Recurring deposit	4	4.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

Source: Primary Data

The above table shows the type of account maintained by the HDFC bank customers. 64% of the customers are maintain their account in Saving, 26% of the customers are maintain their account in Fixed deposits followed by Current account and Recurring deposits.

**Table 4: Mode of Operation**

Operation	Respondent	Percentage
Single	80	80.00
Joint	20	20.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

Source: Primary Data

The above table shows that the majority of (80%) the respondent are the Individual account holders and the remaining (20%) are Joint account holders.

**Table 5: Classification on the Basis of Satisfaction Level**

Satisfied HDFC	Respondent	Percentage
Satisfied	66	66.00
Highly satisfied	10	10.00
Moderately satisfied	24	24.00
Dissatisfied	0	0
<b>Total</b>	<b>100</b>	<b>100.00</b>

Source: Primary Data

The above table shows that 66% of the respondents are satisfied followed by moderately (24%) satisfied and highly satisfied (10 %) but no one is dissatisfied with the bank.

**Table 6: Classification on the Basis of Inspiration of Bank Services**

Reason	Respondents	Percentage
Phone Banking	10	10.00
ATM services	30	30.00
Mobile Banking	20	20.00
E-Bill payment	30	30.00
All above	6	6.00
None of these	4	4.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

**Source:** Primary Data

The above table shows the Classification of the respondent on the basis of Inspiration of Bank services by the customers. Most of the customers (30 %) are inspired by ATM services and E-Bill payment followed by mobile banking (20%), phone banking (10%) and all the above (6%).

**Table 7: Satisfaction Level of Respondent on Service Provided by the Bank Staff**

Satisfied Bank	Respondent	Percentage
Highly Satisfied	74	74.00
satisfied	18	18.00
Moderately satisfied	8	8.00
Dissatisfied	0	0
<b>Total</b>	<b>100</b>	<b>100.00</b>

**Source:** Primary Data

The table shows that 74 % of the customers are highly satisfied with the service provided by the bank staff, 18% of the customers are highly satisfied with the service provided by the bank staff, 8% of the customers are highly satisfied with the service provided by the bank staff and no one is dissatisfied with the service provided by the bank staff.

**Table 8: Customer Relationship with Bank**

Relationship	Respondent	Percentage
Good	62	62.00
Average	38	38.00
Poor	0	0
<b>Total</b>	<b>100</b>	<b>100.00</b>

**Source:** Primary Data

The table shows that 62 % of the Customers are having good relationship with bank, 38 % of the Customers are having average relationship with bank and no one is having poor relation with the bank.

**Table 9: Classification on the Basis Service Quality of HDFC Bank**

Service Quality	Respondent	Percentage
Excellent	40	40.00
Very good	30	30.00
Good	20	20.00
Average	10	10.00
<b>Total</b>	<b>100</b>	<b>100.00</b>

**Source:** Primary Data

The table shows the Classification of the customers on the Service quality offered by HDFC bank.40% of the customers experienced excellent service quality offered by bank, 30% of the customers experienced very good service quality offered by the bank, 20 % of the customers experienced good service quality offered by bank and 10 % of the



customers experienced average service quality offered by the bank to its customers.

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