A Comparative Study of Banking Services and Customer Satisfaction in Public, Private and Foreign Banks

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ABSTRACT The bank system is facing challenges with stiff competition and advancement of technology. It becomes imperative for service providers to meet or exceed the target customers' satisfaction with quality of services expected by them. Hence, the present research attempted to study customers' perception of quality of services, both transaction based and IT enabled in terms of its constituent factors in public sector, private sector and foreign banks. Also through the present study, we would gauge the extent of IT adoption in public sector, private sector and foreign banks in this e-age. The present investigation was planned with the objective to assess the extent of use of services especially the IT enabled services in these banks and to analyze the constituent factors affecting customer satisfaction with the quality of services. The present study was conducted in public sector, private sector and foreign banks of Delhi. Multistage random sampling was used for selection of sample. The study was proposed to be conducted in five zones (East, West, North, South, and Central) of Delhi. One branch of the above banks in any zone of Delhi was selected randomly. While selecting the branch, care was taken to see that branch should provide at least five IT enabled services. This step was followed to have Intra Bank comparison. The study shows that the customers of nationalized banks were not satisfied with the employee behavior and infrastructure, while respondents of private and foreign banks were not satisfied with high charges, accessibility and communication.

1. INTRODUCTION

Banks play a role of considerable economic significance as intermediaries in mobilizing public savings and channelising the flow of funds for productive purposes, keeping on the process of the economic growth of the country. Realizing the importance of the role of the banks in economic development, Government of India/Reserve Bank of India took several major initiatives after the country attained independence to gear the banking system to serve the national objective.

One of the most momentous of such initiatives was the substitution of private ownership by public ownership, through the medium of an ordinance, of the 14 largest commercial banks in the private sector on 19 July 1969. This has popularly come to be known as nationalization of these banks without which it would not have

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been possible to transform the class banking into mass banking and align bank credit to serve the planned priorities and social needs. Branch expansion programmes formulated by the Reserve Bank of India aimed at making available necessary banking facilities in all parts of the country specially the unbanked rural and semi-urban areas. This was perceived as essential for implementation of project for rural development and upliftment of economically weaker sections and also spreading the banking habit even in the remote areas of the country.

Banks assisted in the rehabilitation of sickly weak industrial units and in the prevention of unemployment, which would result from the closure of industrial units for want of credit. Measures thus mentioned substantially contributed to the channelising of the bank credit to the various sectors of the economy which involved inter alia, flow of credit to sectors, which were hitherto neglected or the so called 'priority sectors'.

An efficient financial sector is an engine for economic growth. It converts the fuel of savings into kinetic energy for the economy. The banking industry which is at the core of the financial sector must take the lead. The reform process started in the 90's has given the indus-

try a great opportunity. Not only must the sector become more efficient it must also identify sectors having growth opportunities and devise strategies to move savings into these sectors.

1.1. Current Scenario

Currently, overall banking in India is considered as fairly mature in terms of supply, product range and reach even though reach in rural India still remains a challenge for the private sector and foreign banks. Well- computerized foreign banks are beginning to compete seriously with the nationalized banks. They aim at a profitable and wealthy part of the market and, in contrast to the nationalized banks, do not recognize any social responsibilities to small account holders or to a rural and semi urban clientele. Almost 80% of the businesses are still controlled by Public Sector Banks (PSBs). PSBs are still dominating the commercial banking system.

The bank system is facing the challenges with stiff competition and advancement of technology, the services provided by banks have become more easy and convenient. The competitive character has been promoted by facilitating the entry of foreign banks. The country is flooded with foreign banks and their ATM stations. Efforts are being put to give a satisfactory service to customers. Phone banking and net banking are introduced. The entire system has become more convenient and swift. Time is given more importance than money.

1.2 Banking Services

With years, banks are adding services to their customers. The Indian banking industry is passing through a phase of customers market. The customers have more choices in choosing their banks. A competition has been established within the banks operating in India.

The new age IT (Information Technology) is bringing about sweeping changes in the banking industry, forcing them to re-engineer many of their basic processes and systems. Few of the technology-driven electronic banking services being offered are viz. Automated Teller Machines ATM, Electronic Clearing Service (ECS), Electronic Funds Transfer (EFT), tele-banking,

internet banking etc. New technological capabilities could be effectively used to create value and to better manage customer relationship.

Reddy (2001) stated "Banks are at different stages of technology adoption partly due to their different legacies, as much as the differences in their strategic approaches to computerization and technology absorption".

The foreign banks are ahead in offering better banking services and products, coupled with smart use of IT adoption and have considerably achieved high operational efficiency (RBI 2001).

Vyas P (2004) concluded that there was effective implementation of e-banking services in case of private banks and foreign banks, whereas, nationalized banks were found to have lesser degree of computerization.

Dr. Rangarajan, the former Deputy Governor, Reserve Bank of India, says "Indian banks have to conform to international accounting standards, if Indian banks are to get their due place and recognition in the global financial market" (Jankiraman 1994).

1.3 Banking Technology

Financial reforms had its impact on Indian banks and financial institutions. In the fast changing financial environment, fierce competition and changes in the regulatory policies created uncertainty and risk for the Indian banking industry. Realizing this fact, academicians and practitioners highlighted in their studies that information source in banks is of capital importance and they look at information technology as strategic response to changing financial environment/challenges (Ammayya 1996). The Rangarajan Committee Report (1989) was the first path breaking step in this direction, which highlighted that computerization must be looked upon as a means to improve customer service and efficiency and that the banks' workforce should realize that mechanization would lead to growth and employment expansion (Bide 1997). Subsequently, Narasimham Committee (1992), while highlighting the problems faced by Indian public sector banks, and, as an antidote to the identified lacunae, also stressed the need for greater measure of computerization in banks. The committee observed that modern banking involves a great deal of processing of mass of informa-

tion and commitment to technology is the only solution that ensures timeliness, accuracy and resultant improved performance and enhanced customer service (Bide 1997). On similar lines, several academicians and practitioners argued that technology in banks would help to increase the level of productivity and customer satisfaction (Girish and Preetha 1997). To meet the challenges posed by the entry of foreign banks, Indian banks will have to invest heavily in technology to meet competition, reduce cost, improve customer service, improve productivity and offer new products/services.

Technology in service organizations is important for success. Some scholars have studied technology in service organizations from different perspectives. Harsh (1993) studied beneficial aspects of technology and identified five major benefits of technology to a service organization. First, the equipment could be employed in place of work force. Such substitution of equipment and machines for labour reduces cost of operation and increases efficiency. Second, introduction of technology may help to achieve standardization in the quality of service. Third, higher service levels could be achieved by such blending of technology. Fourth, service organizations can maintain close links with their customers by hooking up in the computer net works such technologies permit one firm to link itself with the information system of the other and, thereby, be in touch. Finally, technology may be useful in directing employees' behaviour and enhancing status and motivation.

Ammayya (1996), along with Godse (1997), while appreciating the introduction of information technology in banks, stressed on training needs of people who play crucial role in turning the hardware and software and networking tools into a powerful combination to aid the bank in improving the service quality and performance. Salma (1998) studied technological reforms in the banking sector. The emphasis on technology as the key factor for improving performance and increasing productivity in banks has been well exemplified by her through illustrations. Most Indian banks, mainly private ones, are hastening to interconnect their countrywide branches (Aishah 1997). Keeping on the lines of promoting speed, SBI has introduced Electronic Fund Transfer Systems (EFTS) in thirty branches in sixteen cities in two schemes, State Bank Instant Remittance (SBIR) and State Bank Rapid Remittance (SBRR) when remittances are made the same and the next day respectively (Shanker 1995).

Many authors, while studying customer service and bank marketing, have observed that the need for computerization/bank automation has arisen because customers expect their cheques to be encashed within a reasonable time, prompt realization of clearing cheques, a quick transfer of funds and timely receipt of correct statements of their accounts etc (Chidambaram and Alamelu 1996). All this can be possible if banks are automated.

1.4 Customers' Satisfaction

A customer can be defined as a user or potential user of banking services. A customer would include an account holder, or his representative, or a person carrying out casual business transactions with a bank, or a person who, on his own initiative, may come within the banking fold (Talwar Committee Report 1976).

The efficiency of a banking sector depends upon how best it can deliver services to its target customers. In order to survive in this competitive environment and provide continual customer satisfaction, the providers of banking services are now required to continually improve the quality of services. The globalization of Indian economy has truly called for much more disciplined approach on the part of Indian banking sector to improve the overall quality of customer services through smart use, absorption and adoption of flexible and appropriate information technology.

It is seen that 5% increase in customer retention can increase profitability by 35% in banking business, 50% in insurance and brokerage, and 125% in the consumer credit card market. Therefore, banks are now stressing on retaining customers and increasing market share (Chothani et al. 2004).

A favorable climate for excellent service manifests itself in employee behavior, for example, being attentive to customers, speaking favorably about the organization and its services. With frequent employee-customer contact, customers are more often exposed to such positive behaviors, which in turn, affect customer satisfaction.

To sum up, the adoption of technology in

banks is increasing with the growing use of Internet, electronic commerce, and various other banking innovations. Evolution of technology in banks is taking place at an enormous pace and it is only question of time before banks commit themselves on full-scale technology up gradation, aiding their growth and adding their competitive features. The computer and the communication age is opening up a flood of new opportunities that are redefining the very concept of traditional banking. It is for the individual banks to reinvest themselves and reconfigure their business processes and practices in tune with the growing customer expectations in an ever increasing competitive environment. There is no way, a bank can remain lukewarm to new technology products and yet hope to grow because it is a choice of survival or extinction.

In such a competitive environment, financial institutions are forced to examine their performance because their survival in the dynamic economies of the coming years will be dependent upon their overall efficiencies. In response, banking firms have been trying to adopt and to adjust themselves to improve their efficiencies in the changing social and economic environment. The efficiency of a banking sector depends upon how best it can deliver services to its target customers or how far the expectations of customers are met. Any service to be provided to the customers can be differentiated by the service provider from the rest of the service providers if it posses some unique selling proposition. The customers compare the perceived service with the expected service. The customer perceives the service quality to be high if it is perfect on his expectation. This perception leads to customer satisfaction with the related service. In the present time, customer satisfaction is an interesting and dynamic concept. It is a concept, which varies from time to time. What is considered as "good" customer services today may be termed "bad" tomorrow. IT strategies therefore, need to be in proper consonance with bank's marketing strategies. Customers are now demanding an individualistic and are no longer willing to accept delay in transactions. A customer centric view has replaced the earlier product centric view.

Therefore, it becomes imperative for service providers to meet or exceed the target customers' satisfaction with quality of services expected by them. Hence, the present research will attempt to study customers' perception of quality of services, both transaction based and IT enabled in terms of its constituent factors in public sector, private sector and foreign banks. Also, the present study attempts to identify lacunae, if any, that exists which might hamper good customer service and in turn, affects customer satisfaction. Also through the present study, we would gauge the extent of IT adoption in public sector, private sector and foreign banks in this e-age.

1.5 Objectives of the Study

Following objectives are planned in the present investigation:
- To assess various aspects of services provided by the public sector, private sector and foreign banks.
- To assess the extent of use of services especially the IT enabled services in these banks.
- To determine and compare the extent of customer's satisfaction with quality of banking services on the basis of different constituent factors.

2. RESEARCH METHODOLOGY

Research methodology deals with a systematic and scientific methods that can be adopted to solve research problems. Methodology is a crucial step in any research because it directly influences the whole research and its findings. The present study will be carried out to gain an insight into the customer satisfaction level with the quality of services provided by public sector, private sector and foreign banks.

2.1 Research Questions

What are the major factors affecting customers' satisfaction with the quality of services? What is the level of customer satisfaction with the quality of services provided by public sector, private sector and foreign banks? Do customers switch over to the IT adoption in public sector banks and to which extent?

2.2 Research Design

Descriptive research design was chosen to find out various services provided by public sector, private sector and foreign banks, the

extent of adoption of IT enabled services among customers provided by banks.

2.3 Selection of Locale and Sample

The present study was conducted in public sector, private sector and foreign banks of Delhi. Multistage random sampling was used for selection of sample.

Firstly, a list of top 20 banks in India was made. A scrutiny of this list of all the three categories that is, public sector, private sector and foreign banks was done. Thereafter, 10 per cent of total number of banks was selected in each category having the maximum number of branches. Hence, three banks (State Bank of India, Punjab National Bank and Canara Bank) among public sector banks, two banks (ICICI and Centurion Bank of Punjab) among private sector banks and one bank (Standard Chartered) among foreign banks were selected for the study. This step was followed to have Inter Bank comparison.

The study was proposed to be conducted in five zones (East, West, North, South, and Central) of Delhi. One branch of the above banks in any zone of Delhi was selected randomly. While selecting the branch, care was taken to see that branch should provide at least 5 IT enabled services.

After identification of branches, the researcher visited banks. It was planned to select 10 customers randomly from each bank making a total of 60 customers as sample by making personal visit to the respective branches of banks.

2.4 Selection of Tools for Data Collection

Selection of appropriate instrument or technique is an important criterion in research methodology. The tools would comprise of the following:

A. Interview Schedule for Customers

An Interview schedule was used for collecting base line data of customers, extent to which they adopt IT enabled banking services provided by public sector, private sector and foreign banks. The interview schedule was based on following subheadings-
* Different aspects of banking services used by customers
* Extent of using IT enabled services
* Customer satisfaction with quality of services
* Suggestions of customers for improving banking services.

3. RESULT AND DISCUSSION

3.1 Different Banking Services Availed by Customers

All the respondents in each bank were availing facility of cheque deposit and cheque clearing. Only one respondent (10 per cent) had taken loan in SBI. About 30 per cent respondents were using the facility of issuance of demand draft, while 20 per cent each availed other facilities like locker, mail transfer and term deposit (Table 1).

Table 1: Distribution of bank customers by availing different services of bank

Services	SBI (n=10)		PNB (n=10)		Canara Bank (n=10)		ICICI (n=10)		Centurion BOP (n=10)		SC(n=10)	
	n	%	n	%	n	%	n	%	n	%	n	%
Locker	2	20	4	40	2	20	-	-	1	10	-	-
Traveler cheques	-	-	-	-	-	-	-	-	-	-	-	-
Loan	1	10	2	20	2	20	5	50	1	10	1	10
Mail transfer	2	20	1	10	-	-	-	-	-	-	-	-
Cash credit facility	-	-	1	10	-	-	-	-	-	-	-	-
Gift cheques	-	-	-	-	-	-	-	-	-	-	-	-
Cheque deposit	10	100	10	100	10	100	10	100	10	100	10	100
Cheque clearing	10	100	10	100	10	100	10	100	10	100	10	100
Issuance of demand draft	3	30	2	20	4	40	-	-	-	-	-	-
Term deposit	2	20	3	30	-	-	-	-	-	-	-	-
Cheque clearing status enquiry	-	-	-	-	-	-	-	-	-	-	-	-
Stop payment facility of cheque	-	-	-	-	-	-	-	-	-	-	-	-

Besides cheque deposit and cheque clearing services, 40 per cent respondents of PNB were availing locker facilities. The other facility, that is, term deposit was availed by 30 per cent respondents. Almost 20 per cent respondents were availing loan and issuance of demand draft facility. A few respondents (10 percent) were benefited by mail transfer and cash credit facility. All the respondents in Canara bank were depositing and clearing cheque. About 40 per cent respondents in Canara bank were made issuance of demand draft. The other facilities loan and locker were availing by 20 per cent each respondent.

All the respondents in ICICI deposited and cleared cheque, while half of the respondents had taken loan from the bank. No other facility is being availed by any respondent of ICICI bank. All the respondents in Centurion BOP deposited and cleared cheque. About 10 per cent each respondents were availing locker and loan facility.

All the respondents in Standard Chartered were depositing and clearing cheque, while only 10 per cent respondents were availing loan facility from this bank. No other facility was availed by any of the respondent.

It can be concluded from the study that cheque deposition and cheque clearance are the most popular banking services among the customers of all three types of banks. ICICI was found to be the largest money lender bank among all the banks. Easy lending of loan and customer friendly approach might be attributed as one of the reason for this finding. The customers of ICICI and Standard Chartered bank perceive the charges of bank very high on different services. It may be one of the reasons of not availing some other services provided by these banks such as locker, issuance of demand draft, traveler cheque etc. Due to more attractive offers and easy procedure of giving loan, ICICI bank was the largest bank under study in providing loan to the customers.

3.2 Different Sources of Information about Any New Service/Scheme Introduced by Bank

The investigator tried to probe whether the bank informed the customers about any new scheme/service launched by the bank. It is evident from Figure 1 that nationalized banks did not inform customers about any new ser-

vice introduced by the bank. On the other hand, private and foreign banks informed their customers for any new service introduced by the bank.

The analysis of data shows that only 20 per cent and 10 per cent respondents of SBI and PNB respectively answered positively to be informed by the bank about any new service or scheme. No respondent answered positive to be informed by the Canara bank on introducing any new service or scheme.
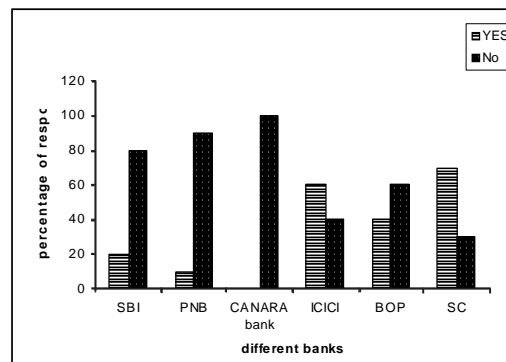

Fig. 1. Distribution of bank customers by getting information of new service/scheme introduced by bank

About 40 per cent respondents were informed by the Centurion BOP on introducing new service/scheme. On the other hand, ICICI and Standard Chartered bank informed majority of the respondents, that is, 60 per cent and 70 per cent respectively about new service/scheme introduced by the bank.

The reason behind not informing customers about new service/scheme would be poor communication and customer service of nationalized banks. On the basis of above analysis, ICICI bank and Standard Chartered bank have good communication with their customers.

3.3 Information about Availing Loan by Customers

The results presented in Table 2 revealed that only one respondent in SBI had taken study loan and only 20 per cent each of the respondents of PNB and Canara bank had taken loan. The highest number of the respondents, that is, half of the total respondents had taken loan from the ICICI bank. Only 10 per cent respondents each from the Centurion BOP and Standard Char-

Table 2: Distribution of bank customers by availing loan from the bank

Type of loan	SBI (n=10)		PNB (n=10)		Canara Bank (n=10)		ICICI (n=10)		Centurion BOP (n=10)		SC(n=10)	
	n	%	n	%	n	%	n	%	n	%	n	%
Car loan	-	-	1	10	1	10	1	10	1	10		
Property loan	-	-	-	-	1	10	-	-	-	-	-	-
Two wheeler loan	-	-	-	-	-	-	1	10	-	-	-	-
Home loan	-	-	1	10	-	-			-	-	-	-
Personal loan	-	-	-	-	-	-	3	30	-	-	-	-
Other	1	10	-	-	-	-	-	-	-	-	1	10
Total	1	10	2	20	2	20	5	50	1	10	1	10

tered had taken loan from their bank. Thus, the findings are pointed to the fact that the highest number of respondents availed loan from ICICI bank. Easy and feasible approach of the bank to provide loans to its customers might be one of the reasons of above results. Providing proper information about loan facility to the customers might also be its reason.

3.4 Customers' Opinion on Charges Levied by the Bank for Different Services

The investigator tried to know customers' point of view on charges levied by the bank for different services. The results of the present investigation as given in Table 3 highlights the fact that customers of nationalized banks found the charges normal levied by the bank for different services. On the other hand, private and foreign banks customers found the above charges high.

The reason of the above results would be the difference of charges in different types of banks. The charges levied by the bank on different services are higher in private or foreign banks as compared to nationalized bank.

3.5 Different IT Enabled Services Used by Customers

Sesha Sai (1999) suggests that to overcome growing customer dissatisfaction banks should adopt two-fold strategy. Firstly, the creation of a wide range of services, suitable and beneficial to the customers and secondly, prompt and efficient delivery of these services by the front line staff. To ensure quick delivery of these services, banks have to introduce revolutionary technological changes like Electronic Fund Transfer (ETF), Electronic Clearing Service(ECS), Net Working the Service Branches, Automatic Teller Machines (ATM), modern and up-dated communication facilities.

An attempt was made to scrutinize different IT enabled services used by customers. Analysis of results reveals that no customer was using two services, that is, online tax accounting system and Real Time Gross Settlement System (RTGS). ATM was the most common IT enabled service among customers of every bank. Customers of nationalized banks were using comparatively fewer IT enabled services as compared to private and foreign banks (Table 4).

About half of the respondents were using ATM in SBI bank, while 30 per cent respondents were availing centralized banking and only 10 per cent were having credit card and debit card. In PNB, ATM and centralized banking each was using by 30 per cent respondents, while a few of all the respondents, that is, 10 per cent each using credit card and debit card and ECS. Majority of the respondents were using ATM, while 20 per cent respondents were availing Electronic Clearing Services.

All the respondents in ICICI bank were us-

Table 3: Distribution of bank customers by their opinion on charges levied by the bank for different services

Services	SBI (n=10)		PNB (n=10)		Canara Bank (n=10)		ICICI (n=10)		Centurion BOP (n=10)		SC(n=10)	
	n	%	n	%	n	%	n	%	n	%	n	%
High charges	1	10	1	10	2	20	8	80	3	30	6	60
Normal charges	9	90	9	90	8	80	2	20	7	70	4	40
Total	10	100	10	100	10	100	10	100	10	100	10	100

Table 4: Distribution of bank customers by using IT enabled services

IT enabled services	SBI (n=10)		PNB (n=10)		Canara Bank (n=10)		ICICI (n=10)		Centurion BOP (n=10)		SC(n=10)	
	n	%	n	%	n	%	n	%	n	%	n	%
Electronic clearing services	-	-	1	10	2	20	3	30	-	-	2	20
Electronic fund transfer	-	-	-	-	-	-	-	-	-	-	2	20
Utility payment services	-	-	-	-	-	-	1	10	-	-	-	-
Interactive voice response system enquiry	-	-	-	-	-	-	1	10	-	-	1	10
Credit card and debit card	1	10	1	10	-	-	4	40	-	-	10	100
ATM	5	50	3	30	6	60	10	100	10	100	10	100
Internet banking	-	-	-	-	-	-	2	20	-	-	1	10
Centralized banking	3	30	3	30	-	-	2	20	-	-	2	20
Online tax accounting	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange system	-	-	-	-	-	-	-	-	-	-	-	-
RTGS	-	-	-	-	-	-	1	10	-	-	1	10

ing ATM, while about 40 per cent respondents were using credit card and debit card and 30 per cent respondents were using ECS. About 20 per cent each were availing internet banking and centralized banking. A little respondents, that is, 10 per cent were availing utility payment services and interactive voice response system enquiry. All the respondents in Centurion BOP were using ATM in Centurion BOP.

All the respondents in the above bank were using ATM and credit card and debit card. About 20 per cent each were availing other services, that is, ECS, EFT and centralized banking, while 10 per cent respondents each were availing Interactive voice response system enquiry, Internet banking and RTGS.

The analysis of data reveals that a few respondents in Delhi were availing IT enabled services other than ATM. No respondent in any above bank was using online tax accounting and foreign exchange system. The respondents were asked about the reasons of not using IT enabled services and they mentioned various reasons such as security, no facility, no awareness and no need. Banks should create more awareness regarding all Information Technology enabled services among customers and should put more efforts in increasing security features of these services.

The findings are in tune with the study done in Nigeria. It is revealed from the study that among the e-banking processes adopted by Nigerian banks, ATM was the most patronized by customers (Central Bank of Nigeria 2007). In addition, it was found that attitudinal dispositions significantly influenced their ATM usage. Similarly in their research, KPMG (2009) found that Nigerian bank customers give special consideration to IT particularly ATM. Although, it seems that Nigerian banks customers are increasingly associating quality of bank services with online real time, they are now more alert and meticulous in choosing banks to patronize (Idowu et al. 2002).

3.6 Customers' Satisfaction with Quality of Services

Customers' satisfaction was assessed with five parameters of quality of services, i.e., employee behavior, accessibility, ambience, infrastructure and working hours.

Table 5 shows that majority of the respondents were not satisfied with employee behavior in SBI (60 per cent), PNB (70 per cent) and Canara bank (70 per cent). On the contrary, majority of the respondents were satisfied with employee behavior in private and foreign bank, i.e., ICICI (60 per cent), Centurion BOP (80 per cent) and Standard Chartered (80 per cent).

It shows that customer satisfaction level with employee behavior was higher in private and foreign banks than nationalized banks. It would be due to strong management system of the above banks.

In an attempt to overcome the growing customer dissatisfaction, several researchers (Harsh 1993; Muniraj 1994; Nageswar 1987; Sundaram 1984; and Tandam and Sanjay 1994) have emphasized training and development of bank personnel, employee motivation, procedures and systems, customer education, ana-

Table 5: Distribution of bank customers by satisfaction with quality of services

Quality of service	SBI (n=10)		PNB (n=10)		Canara Bank (n=10)		ICICI (n=10)		Centurion BOP (n=10)		SC(n=10)	
	n	*%*	*n*	*%*	*n*	*%*	*n*	*%*	*n*	*%*	*n*	*%*
Employee Behavior												
Satisfied	4	40	3	30	3	30	6	60	8	80	8	80
Not satisfied	6	60	7	70	7	70	4	40	2	20	2	20
Total	10	100	10	100	10	100	10	100	10	100	10	100
Accessibility												
Satisfied	9	90	3	30	2	20	8	80	6	60	1	10
Not satisfied	1	10	7	70	8	80	2	20	4	40	9	90
Total	10	100	10	100	10	100	10	100	10	100	10	100
Ambience												
Satisfied	5	50	8	80	4	40	7	70	5	50	10	100
Not satisfied	5	50	2	20	6	60	3	30	5	50	-	-
Total	10	100	10	100	10	100	10	100	10	100	10	100
Infrastructure												
Satisfied	3	30	3	30	6	60	6	60	4	40	10	100
Not satisfied	7	70	7	70	4	40	4	40	6	60	-	-
Total	10	100	10	100	10	100	10	100	10	100	10	100
Working Hours												
Satisfied	6	60	5	50	2	20	8	80	8	80	10	100
Not satisfied	4	40	5	50	8	80	2	20	2	20	-	-
Total	10	100	10	100	10	100	10	100	10	100	10	100

lysis of individual customer behaviour which implies the banker to have training in psychological and social aspects, opening of extra counters on busy days (pay days, examination fee pay days etc.) and display of day to day changes in rules and regulations which will improve understanding between both bank staff and its customers.

Almost all the respondents, that is, 90 per cent were satisfied with the accessibility of SBI, while majority of the respondents, that is, 70 per cent and 80 per cent were not satisfied with the accessibility of the PNB and Canara bank.

On the other hand, majority of the respondents were satisfied with accessibility of ICICI (80 per cent) and Centurion BOP (20 per cent). Further the investigator found that a few of the respondents, that is, 10 per cent were satisfied with the accessibility of Standard Chartered bank.

The reason of the above findings might be attributed that SBI has maximum number of branches and ATMs in Delhi in comparison to PNB and Canara bank. Among private banks, ICICI and Centurion BOP have the maximum branches in Delhi. The ICICI bank has a good number of ATMs also. Standard Chartered has only 12 Branches in Delhi and a few numbers of ATMs, so people have faced accessibility problem.

The analysis of data shows that half of the respondents were satisfied with the ambience of SBI, while majority of the respondents were satisfied with the ambience of PNB. A little less than half (40 per cent) of the respondents in Canara bank were satisfied with the ambience of bank. On the other hand, majority of the respondents, that is, 70 per cent respondents were satisfied with the ambience of ICICI bank and half of the respondents were satisfied with the ambience of Centurion BOP. All the respondents were satisfied with the ambience of Standard Chartered bank.

This is the era of technological advancement and the banking is highly competitive. Well-computerized private and foreign banks are beginning to compete seriously with the nationalized banks. Banks are trying to get customers' attention and good ambience would be the part of this competition. It would be the reason of great satisfaction of respondents with ambience of almost all the banks.

Another factor of quality of service, measured by the investigator, was infrastructure of the banks. The figures in the Table 5 shows that a few respondents, that is, 30 per cent each were satisfied with the infrastructure of SBI and PNB, while 60 per cent respondents satisfied with the infrastructure of Canara bank. On the other hand, majority of the respondents, i.e., 60 per cent were satisfied with the infrastructure

Table 6: Distribution of bank customers by nature of complains made to branch officials

Nature of complains	SBI (n=10)		PNB (n=10)		Canara bank (n=10)		ICICI (n=10)		Centurion BOP (n=10)		SC(n=10)	
	n	%	n	%	n	%	n	%	n	%	n	%
They Ever Made Complain												
Yes	1	10	2	20	3	30	1	10	2	20	1	10
No	9	90	8	80	7	70	9	90	8	80	9	90
Total	10	100	10	100	10	100	10	100	10	100	10	100
Nature of Complain												
Cheque delay	-	-	1	10	2	20	1	10	1	10	-	-
Draft delay	1	10	-	-	-	-	-	-	-	-	-	-
Extra charges applicable	-	-	1	10	1	10	-	-	-	-	1	10
Loan delay	-	-	-	-	-	-	-	-	1	10		
Response for Complain												
Solved	1	10	1	10	2	20	1	10	1	10	-	-
Unsolved	-	-	-	-	-	-	-	-	-	-	1	10
Takes time	-	-	1	10	1	10	-	-	1	10	-	-

of ICICI bank and a little less than half of the respondents were satisfied with the infrastructure of Centurion BOP. On the contrary, all the respondents were satisfied with the infrastructure of Standard Chartered bank.

More respondents of private and foreign banks were satisfied with infrastructure of their banks in comparison to national banks. Majority of the respondents, that is, 60 per cent were satisfied with working hours of the SBI, while half of the respondents in PNB were satisfied with working hours of the bank, while a little of the respondents, i.e., 20 per cent respondents were satisfied with working hours of Canara bank. On the other hand, majority of respondents, that is, 80 per cent were not satisfied with working hours of ICICI and Centurion BOP, while all the respondents of Standard Chartered were satisfied with the working hours of bank. Working hours are longer in the private and foreign banks rather than nationalized bank.

Similarly, Metawa and Almossawi (1998) observe that bank selection criteria have been heavily investigated over the past two decades (Khazeh and Decker 1992; Metawa and Almossawi 1998). Various studies named several attributes that were found to play a crucial role in the process of bank selection to include: availability of credit, relatives' advice and recommendations, friends' advice and recommendation, convenient location, variety of bank services, the quality of services, availa-bility of ATM, adequate banking hours, Return on Investment, friendliness of personnel, understa-

nding financial needs, special services for women, and bank reputation.

In a study carried out by Dutta and Kundu (2007), it was found that the availability of core banking facility and ATM facility (all having mean value 4.88) were the attributes which customers consider next in terms of their importance after than security features.

3.7 Nature of Complains Made by Customers

The investigator made an attempt to scrutinize complains of respondents to their bank. The analysis of data (Table 6) shows that the percentage of respondents, who made complains to their bank, is small. A few respondents, that is, only 10 per cent in SBI made complain to bank, while 20 per cent and 30 per cent respondents made complain to PNB and Canara bank respectively. A little respondent in ICICI and Centurion BOP made complain to their bank, that is, 10 per cent and 20 per cent respectively. In Standard Chartered also, only 10 per cent respondents complained. The nature of complains in different banks were found to be Cheque delay, Draft delay, Extra charges and applicable Loan delay.

The single matter in Standard Chartered bank was unsolved, while PNB, Canara bank and Centurion BOP had taken lots of time to solve customers complain. Rest of the matters, that is, 10 per cent each in SBI, PNB, ICICI and Centurion BOP were solved, while 20 per cent

matters were solved by Canara bank as it had maximum number of complains, that is, 30 per cent.

The above analysis shows that complaining matters were so little in each of the bank. It does mean that customers had negligible complains. Sometimes respondents did not expect the matter to be solved, while sometimes they did not want to go for complaining.

On the contrary, a study was conducted by Uppal (2010) on customer complaints in banks: nature, extent and strategies to mitigation. In the study, the numbers of complaints were maximal in public sector banks and the maximum complaints were related to deposit, credit cards and housing loans. The present study was related to 2006 - 2007 and 2007 - 2008.

3.8 Suggestions of the Customers

The analysis presented in Table 7 shows that respondents of nationalized banks wanted to improve employee behavior, ambience and infrastructure. They also wanted longer working hours. On the other hand, respondents of private and nationalized bank wanted improvements in other areas such as lower charges, more accessibility and good communication.

4. CONCLUSION

Various traditional and IT enabled banking services used by customers are studied in the present paper. In addition, customer satisfaction was also measured with various dimensions. It is observed that cheque deposit and cheque clearance were the most common banking services used by the customers of all six banks. While the charges levied by the bank on different services were perceived higher by the customers in private and foreign banks in comparison to nationalized banks. A small number of respondents were using IT enabled services other than ATM. Security, lack of facility, improper awareness and so on were found to be the reasons for not using IT enabled services. The customers of nationalized banks were not satisfied with the employee behavior and infrastructure, while respondents of private and foreign banks were not satisfied with high charges, accessibility and communication. The study shows that only a few respondents made complain to their respective banks. The nature of complain was

Table 7: Suggestions given by the customers for improving the bank services

Banks	Suggestions
SBI	Infrastructure should be improved
	Ambience should be improved
	Employee behavior should be improved
	Work should be completed easily
PNB	Employees behavior should be improved
	Infrastructure should be improved
	Proper guidance should be given to the customers
	Interest rate should be increased
	Working hours should be increased
	Different forms for transaction should be displayed properly
Canara Bank	Accessibility should be increased
	Working hours should be increased
	More facilities should be provided by the bank
ICICI	Charges should be reduced
	Accessibility should be increased
	Communication with customers should be increased
	Statements of transactions should be issued to the customers timely
Centurion BOP	Proper guidance should be given to the customers
	Information about new services should be given to the customers
SC	Charges should be reduced
	Accessibility should be increased
	Communication with customers should be increased

mostly delay in transaction and extra charges. Hence, the study throws light on different aspects and drawback of services of the nationalized, private and foreign banks. Training on stress management and public dealing should be imparted to the employees of nationalized banks. Nationalized banks need to improve their infrastructure and ambience to compete with private and foreign banks in India. Branches of private and foreign banks should be increased for easy accessibility.

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