

A STUDY ON CUSTOMER SATISFACTION TOWARDS SERVICE PROVIDED BY ICICI BANK, CHENNAI

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ABSTRACT

The purpose of this paper is to evaluate the customer satisfaction of the banks sector in ICICI based on customer perception regarding service quality. This is an empirical study using mostly primary data collected during a well-structured questionnaire. The method of the study Validity and consistency testing of questionnaire using SPSS program for windows version 19 The questionnaire has been personally administered on a sample size of 70 bank customers. This paper makes a useful contribution as there are only a few studies dealing with the assessment of service quality in banking sector of ICICI. The findings based on three different independent variables (service quality, customer loyalty and security) showed that all these variables influenced consumers satisfaction in ICICI banking sector. There is a positive impact and significant relationship between the customer satisfaction and two variables (service quality and customer loyalty), and there is a negative relationship between security and customer satisfaction.

Keywords: customer satisfaction, service quality, customer relationship, customer loyalty, responsiveness, empathy.

INTRODUCTION

In today's competitive world, all organizations are focusing on customer satisfaction. They have shifted their objective from earning profits to provide customer satisfaction. ICICI Bank is a very good example of this. ICICI Bank is playing crucial role in the development of trade, commerce. It has also being contributing towards the economic development of the nation's economy. Through my research, I found out what are the services provided by ICICI Bank, and it is found whether they are very innovative. This bank has shown a remarkable performance within a short period through its innovative products, services and the policies. In this research, it is found how ICICI Bank is satisfying its customers. As the competition in the market has increased, as a result the expectations of the customers have also increased. To meet the expectations of the customers, ICICI Bank is making efforts by providing new products with faster delivery at cheaper rates.

The issue of service quality is a critical one throughout service industries as business attempt to sustain their competitive advantage in the marketplace. Owing to the financial services like banks' competition in the marketplace through UN differentiated products, this highlights service quality as the basic competitive tool (Stafford, 1996).

Banks are also well aware of the fact that custom-ear's loyalty lies in the banks' production of greater value compared to their competitors (Dawes & Swailes, 1999). Banks are more

Possible to earn high profits if they were able to position themselves in an advanced way to their competitor in an exacting market (Davies et al., 1995). Therefore, it is imperative for banks to concentrate on service quality as their major competitive approach (Chaoprasert & Elsey, 2004).

Financial institution usually believe that consumers are the aim behind their services and hence their behavior depend on their consumers. This is why financial institution are additional troubled with customer satisfaction, customer loyalty and their retention (Zairi, 2000). In fact, customer loyalty structure from the organization is making of benefit for consumers so they will be retained and keep on doing business with the organization (Anderson & Jacobsen, 2000).

CUSTOMER SATISFACTION IN BANKING

Economic liberalization and deregulation has improved the opposition among bank to pull towards you possible consumers. Every financier tries to offer higher services to keep satisfied consumers. Satisfied consumer is the real quality for any association that ensures long-standing prosperity even in the era of huge struggle. It is established that satisfied consumer repeat his/her knowledge to buy the goods and create new consumers by communiqué of positive message about it to others (Dispensa, 1997). On the other hand, dissatisfied consumer may switch to different products/services and correspond negative message to others. Therefore, organizations must ensure the customer satisfaction concerning their Goods/services (Gull edge, 1996).

REVIEW OF LITERATURE:

Consumer satisfaction is one of the essential outcomes to market activity (Spreng et al.1996). In todays highly ready for action banking industry, consumer satisfaction is considered as the concentrate of success (Siddiqi, 2011).

Carruthers and Shao (2009) stated that general internet banking service quality is considerably connected to overall consumer satisfaction in New Zealand banks. They additional that the delivery of high quality online service is called for, for the continuance or improvement of the banks' consumer satisfaction.

Consumer loyalty is define as “the market place money of the twenty-first century” (Singh & Sirdesh, 2005). Similarly, Foss and Stone (2001) interconnected consumer loyalty to the customer’s thoughts and dealings. Several consumer loyalty expert express loyalties as a state of mentality and a set of values.

Kotler (2000) defined satisfaction as a person’s way of thinking of satisfaction or dissatisfaction resulting from the relationship of Product is professed presentation in suggestion to expectations. Customers' mind-set and values also affect their fulfillment level. It is said that satisfaction is a gathering of Customer’s belief about fair management (Hunt, 1991).

Edwin and Fathima (2011) describe in their examine that there is the contact of service quality and consumer satisfaction in ICICI banks. This research show that there is slam link involving the customers’ opinion on the service quality factor and consumer satisfaction. It advance showed that there is a contact of the service quality dynamic on consumer satisfaction.

Datta and Datta (2009) describe in the lessons that the consumer satisfaction is the most important factor for investigate the opinion of probability of consumers in ICICI Bank. A study show that customers are most satisfies with the services of ICICI Bank. They recommended that they should progress their bank services.

(Westbrook et al, 1981) report that general satisfaction is the effect of customer's estimation of a set of experience that is coupled with the particular service provider. It is pragmatic that organization's application on customer opportunity resulted into larger Satisfaction.

Banks are besides glowing aware of the fact that customer’s loyalty deception in the banks’ creation of greater value compare to their competitor (Dawes & Swailes, 1999). Bank are more expected to earn high profits if they are able to situation themselves in a more way to their competitor in an exacting market (Davies et al. 1995). Therefore, it is necessary for bank to focus on service quality as their principal aggressive strategy (Chaoprasert & Elsey, 2004).

Johnston (1995) investigates the relative connecting the determinants of service quality and outcome of the zone of patience. He discovered that nearby are some determinants that are more expected to be a source of disappointment while others to be a spring of satisfaction.

Oliver (1999) define customer loyalty as a totally held dedication to rebuy a number one product/service constantly in the opportunity, thereby cause repetitive same-brand or same brand-set purchase, despite situational influence and marketing hard work having the possible to cause switch performance.

OBJECTIVES OF THE STUDY

- To study the customer satisfaction in ICICI bank.
- To know about the relationship among various factors influencing customer satisfaction.
- To evaluate the difference in perception towards the factors influencing customer satisfaction.
- To find out the most influencing variable in each factor influencing the customer satisfaction.

SCOPE OF STUDY

- To assess the level of customer loyalty in ICICI banking services.
- To assess the level of customer satisfaction of the quality of service provided by the ICICI banks.
- To assess the level of safety perception of the customers in ICICI banks.
- To assess the level of responsiveness of the customers in ICICI banks.
- To assess the level of quality of service provided to the customers in ICICI banks.

LIMITATION OF STUDY

- Time limitation of study was only two month and the study carried out with available data from the bank customers. The administration and management activities reported here are based on the direct observation carried out during the internship period.

METHODOLOGY

- The study is exploratory in nature. It involved a survey of bank customer of an organization in Chennai. Data was collected by research method through survey questionnaire with seventy bank customers for a period of two month (June 21 to 20 august). The collected data was analysed using mean analysis and correlation method in spss. A structured questionnaire of 29 multiple choice questions and demographic details were collected and analysed.

DATA COLLECTION

a. Primary data

- It is the first hand information, which is being collected by the researcher, or assistant is called primary data. In this study, the primary data was collected through structured questionnaire. Questionnaire was customer to collect the primary data from 70 respondents in the organization.

b. Secondary data

- Besides the primary data, the secondary data was also collected for the study. Websites and books were referred for this purpose from the library to facilitate proper understating of the study.

DATA ANALYSIS AND INTERPRETATION

MEAN ANALYSIS:

1- Analysis of mean for on customer relationship

This table shows the most influencing factor among the customer relationship.

TABLE 1: ANALYSIS OF MEAN FOR ON CUSTOMER RELATIONSHIP

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|----|---------|---------|--------|----------------|
| Q7. The bank is exactly what I need | 70 | 1.00 | 5.00 | 3.2429 | .73101 |
| Q8. The information that presented by that bank is accurate | 70 | 1.00 | 5.00 | 3.6857 | .82608 |
| Q9. There are privacy policies in this bank | 70 | 1.00 | 5.00 | 4.1000 | 1.02363 |

| | | | | | |
|---|----|------|------|--------|--------|
| Q10. There are guarantees offered by this bank | 70 | 2.00 | 5.00 | 3.9857 | .78929 |
| Q11. This bank gives breadth and depth customer service | 70 | 1.00 | 5.00 | 3.7429 | .91185 |
| Q12. I will be more satisfied if the bank offered an good transaction | 70 | 1.00 | 5.00 | 3.7571 | .90787 |
| Valid N (list wise) | 70 | | | | |

INTERPRETATION

From the table 1 it is found that the customer agrees that the most influencing factor regarding customer relationship is the privacy policies provided by the bank.

2-ANALYSIS FOR MEAN ON CUSTOMER LOYALTY

This table shows the most influencing factor among the customer loyalty.

TABLE 2: ANALYSIS FOR MEAN ON CUSTOMER LOYALTY

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--|----|---------|---------|--------|----------------|
| Q13. I always use this bank for my every transaction | 70 | 1.00 | 5.00 | 3.4429 | .81000 |
| Q14. I will say positive things about the bank to other people | 70 | 2.00 | 5.00 | 3.7857 | .84943 |
| Q15. I seldom consider switching away from this bank | 70 | 1.00 | 5.00 | 4.1000 | .83666 |

| | | | | | |
|--|----|------|------|--------|---------|
| Q16. I will never change this bank even i found another bank which offer completely good transaction | 70 | 1.00 | 5.00 | 3.8429 | .98739 |
| Q17. Specific needs are understood | 70 | 1.00 | 5.00 | 3.5429 | .97335 |
| Q18. Bank insists on error-free transaction records available | 70 | 1.00 | 5.00 | 3.8000 | 1.08481 |
| Valid N (list wise) | 70 | | | | |

INTERPRETATION: From the table 2 it is found that the customer agrees that the most influencing factor regarding customer loyalty is the consideration for switching away from this bank.

3 - ANALYSIS FOR MEAN ON SERVICE QUALITY

This table shows the most influencing factor among the service quality.

TABLE 3: ANALYSIS FOR MEAN ON SERVICE QUALITY

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|----|---------|---------|--------|----------------|
| Q19. This bank offers fast and efficient services | 70 | 1.00 | 5.00 | 3.8286 | .77966 |
| Q20. Friendliness is good | 70 | 1.00 | 5.00 | 3.8286 | .94748 |

| | | | | | |
|---|----|------|------|--------|---------|
| Q21. The bank as good parking facility, accessibility and convenience of location | 70 | 1.00 | 5.00 | 3.6571 | .96137 |
| Q22. The bank is offered easily way to use the change transaction | 70 | 1.00 | 5.00 | 3.8429 | 1.00196 |
| Q23. The representative is are appreciable | 70 | 1.00 | 5.00 | 3.8286 | .96266 |
| Q24. Provisions of financial advices are available | 70 | 1.00 | 5.00 | 3.9000 | .99491 |
| Valid N (list wise) | 70 | | | | |

INTERPRETATION: From the table 3 it is found that the customer agrees that Provisions of financial advices are the most influencing factor among service quality.

4 - ANALYSIS FOR MEAN ON RESPONSIVENESS / EMPATHY

This table shows the most influencing factor among the responsiveness

TABLE.4: ANALYSIS FOR MEAN ON RESPONSIVENESS / EMPATHY

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--|----|---------|---------|--------|----------------|
| Q25. Bank performs the services right the first time | 70 | 1.00 | 5.00 | 3.7000 | .78666 |

| | | | | | |
|--|----|------|------|--------|---------|
| Q26. There is time bound for the employee to work | 70 | 1.00 | 5.00 | 3.6714 | 1.08643 |
| Q27. Help desks and call centers of the bank easily accessible | 70 | 1.00 | 5.00 | 3.8143 | .92145 |
| Q28. Problem solving is possible | 70 | 1.00 | 5.00 | 3.8429 | .82770 |
| Q29. Electronic bills payments are available | 70 | 1.00 | 5.00 | 3.9429 | .93073 |
| Valid N (list wise) | 70 | | | | |

INTERPRETATION

From the table 4 it is found that the customer agree that Electronic bills payments are available in ICICI bank

5-CORRELATION

Correlation is performed to depict the relationship among various factors influencing customer satisfaction.

TABLE 5

Correlations

| | Customer relationship | Customer loyalty | Service quality | responsiveness |
|---------------------|-----------------------|------------------|-----------------|----------------|
| Pearson Correlation | 1 | .355** | .400** | .157 |
| Sig. (2-tailed) | | .003 | .001 | .195 |
| N | 70 | 70 | 70 | 70 |

| | | | | | |
|----|---------------------|--------|--------|--------|--------|
| cl | Pearson Correlation | .355** | 1 | .684** | .264* |
| | Sig. (2-tailed) | .003 | | .000 | .027 |
| | N | 70 | 70 | 70 | 70 |
| sq | Pearson Correlation | .400** | .684** | 1 | .340** |
| | Sig. (2-tailed) | .001 | .000 | | .004 |
| | N | 70 | 70 | 70 | 70 |
| re | Pearson Correlation | .157 | .264* | .340** | 1 |
| | Sig. (2-tailed) | .195 | .027 | .004 | |
| | N | 70 | 70 | 70 | 70 |

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

INTERPRETATION

1. Since the significance value between customer relationship and customer loyalty is less than 0.05, there is a significant relationship between customer relationship and customer loyalty.
2. Since the significance value between customer relationship and service quality is less than 0.05, there is a significant relationship between customer relationship and service quality.
3. Since the significance value between customer relationship and responsiveness is greater than 0.05, there is a no significant relationship between customer relationship and responsiveness.
4. Since the significance value between customer loyalty and customer relationship is less than 0.05, there is a significant relationship between customer loyalty and customer relationship.
5. Since the significance value between customer loyalty and service quality is less than 0.05, there is a significant relationship between customer loyalty and service quality.
6. Since the significance value between customer loyalty and responsiveness is less than 0.05, there is a significant relationship between customer loyalty and responsiveness.

7. Since the significance value between service quality and customer relationship is less than 0.05, there is a significant relationship between service quality and customer relationship.
8. Since the significance value between service quality and customer loyalty is less than 0.05, there is a significant relationship between service quality and customer loyalty.
9. Since the significance value between service quality and responsiveness is less than 0.05, there is a significant relationship between service quality and responsiveness.
10. Since the significance value between responsiveness and customer relationship is greater than 0.05, there is a significant relationship between responsiveness and customer relationship.
11. Since the significance value between responsiveness and customer loyalty is less than 0.05, there is a significant relationship between responsiveness and customer relationship.
12. Since the significance value between responsiveness and service quality is less than 0.05, there is a significant relationship between responsiveness and service quality.

FINDINGS

1. According to survey says that from Mean, analysis is clear that, the customer agrees that there are privacy policies in this bank; they rarely switch away from this bank; Provisions of financial advices are available in ICICI bank and the Electronic bills payments are available in ICICI bank.
2. According to survey says that the correlation shows that there is a significant relationship among customer relationship, customer loyalty and service quality.
3. According to survey says that the correlation also shows that there is a significant relationship among responsiveness, customer relationship and service quality.
4. According to survey says that since the significance value between service quality and responsiveness is less than 0.05, there is a significant relationship between service quality and responsiveness.

5. According to survey says that since the significance value between responsiveness and customer relationship is greater than 0.05, there is a significant relationship between responsiveness and customer relationship.
6. According to survey says that since the significance value between responsiveness and customer loyalty is less than 0.05, there is a significant relationship between responsiveness and customer relationship.
7. According to survey says that since the significance value between responsiveness and service quality is less than 0.05, there is a significant relationship between responsiveness and service quality.

SUGGESTIONS

The above dialogue indicate that consumer satisfaction differ according to the personality of service. In this case, the maximum consumer satisfaction is confirmed in the loyalty quarter such as organization, pertinence connecting the consumers and the bank, follow by the examination quality such as compliance to help consumer, welcoming feelings of staff. On the further hand, the temperate satisfactions are in the protection such as wellbeing and protection. Our implication for other researchers to strengthening more study about consumer satisfaction in ICICI area, and try to test more variables, which manipulate of consumer satisfaction.

CONCLUSION

consumer satisfaction characterize itself by a soaring degree of rumour where happy customers are most expected to divide up their experience by way of other people to the order of perhaps five or six people. Equally well, dissatisfied customers are more likely to tell another ten people of their unfortunate experience. The correlation shows that there is a significant relationship among customer relationship, customer loyalty and service quality. The correlation also shows that there is a significant relationship among responsiveness, customer relationship and service quality.

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