

# **CUSTOMER SATISFACTION TOWARDS BANKING SERVICES OF INDUSIND BANK IN CHENNAI CITY**

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## **ABSTRACT**

The study looks at how satisfied customers are with the services provided by Indusind bank. India's public sector banking and financial services statutory body, Indusind Bank, is a transnational organisation. They have locations all around the country, in all directions. Particularly widespread with a vast network of 2000 branches is Indusind Bank. Its assets have an estimated value of Rs. 4.02 lakh crore. When it comes to declaring its assets, the Indusind bank takes a highly cautious approach to accounting. Mumbai is the home of the Indian financial institution IndusInd Bank Limited. The bank provides goods and services for transactional, commercial, and electronic banking. Manmohan Singh, who was the Union Finance Minister at the time, formally opened IndusInd Bank in April 1994.

**KEYWORDS:** Public sector banking, financial services, imperial bank

## **INTRODUCTION**

Due to the increased reliance on brick and mortar structures for financial services, the banking industry has altered in the current environment. The way that banking services are provided has altered as a result of ongoing technological advancement, growing consumer base, and evaluation of alternative banking channels. Thus, in the current state of the banking industry, client happiness is the most crucial component. Due to the intense rivalry in the banking industry today, customer happiness is the most crucial component of any banking organisation. The banking industry places a high priority on keeping their current clients happy by offering high-quality services. The goal of the current study was to determine the degree of customer satisfaction at Indusind Bank in Chennai City The findings and discussions from the research will assist Indusind Bank improve its customer service and develop new customer service-related policies.

## **PRODUCT OF INDUSIND BANK**

### **ACCOUNT & DEPOSITS SERVICE**

Banking ought to be simple. With INDUSIND Bank, the work is worthwhile. We offer a variety of solutions that are unmatched for every customer requirement and employment situation. Whether you work for a corporation and require a straightforward savings account or you operate your own business and need a reliable banking partner, INDUSIND Bank not only provides the ideal solution for you but also can suggest items that can strengthen your future planning.

### **LOAN SERVICES**

In today's competitive world, everything is facilitated by money, and everyone is dependent on it. However, there are times when a person needs money alone from a friend or a financial institution since they do not have any cash on hand. Lone does not imply that just lower class individuals require it; upper class individuals also require it. There are many different types of loans available in the INDUSIND bank, depending on the needs of each individual. Personal loans, home loans, auto loans, gold loans, student loans, secured loans, and loans against property.

### **LOAN SERVICES**

In today's cutthroat economy, everyone depends on money to make things happen. But on occasion, a person who does not have any cash on hand requires money from a friend or a financial institution alone. Lone does not indicate that just people of lower social classes need it; upper class people also need it. Depending on the requirements of each person, the INDUSIND bank offers a wide variety of loans.

Loans for personal use, mortgages, vehicles, gold, student loans, secured loans, and loans secured by property.

- Credit card
- Debit card
- prepaid card

## INVESTMENT AND INSURANCE

Investment and insurance are both growing in popularity right now. When someone invests money in various schemes, gold, the stock market, etc., but occasionally finds himself in a tough situation, a bank can assist by providing financial and investment services.

## LITERATURE REVIEW

According to research by **Chochol'áková, A., Gabcová, L., Belás, & Sipko (2015)**, satisfied customers are more receptive to offers from other banks than dissatisfied customers and are much more likely to suggest their bank to friends and consider using it in the future. When considering investments in all areas, including the financial market, saving their own money with their own bank, getting a mortgage from their own bank, and using other banking products and services from their current bank, loyal customers are more interested in the services of their own banks.

According to **Ameme, B., and Wireko's (2016)** research, there is a correlation between technology and customer satisfaction in the banking sector or industry in today's competitive environment, where technology plays a significant role. They added that providing customers with a satisfying experience involves much more than just offering novel goods and services. They also discovered that the bank must employ innovation in all areas, including products and services, if it wants to dominate the market in a cutthroat climate. Additionally, there is a big connection between cost and technological progress. The cost also rises in tandem with innovation.

A Comparative Study on the Customers' Satisfaction in Selected Private Sector and Public Sector Banks in Tirunelveli District by **R.Arumugarajan (2016)** Many private parties enter the banking sector as a result of privatisation. Customers can choose from a variety of banks as a result. Customers' levels of satisfaction are therefore extremely important to banks. Thus, he draws the conclusion that banks in the private and foreign sectors are highly successful in giving their clients what they want, when they want, and where they want. However, public sector banks continue to lag behind private sector banks in these areas.

A Study on Customer Satisfaction Toward Private Banks with Particular Reference to Mysuru City, by **Ramya T. J. (2016)** In the Indian market, the banking sector has experienced phenomenal expansion. The banking sector in India has seen significant transformation as a result of new technology. The private sector of numerous banks has recently experienced a crisis, which has affected the Indian economy. In order for a private bank to expand, customer satisfaction must be attained. Today, each business must prioritise customer happiness in order to survive. The measurement of customer satisfaction is currently crucial for gaining confidence and developing the market. According to the report, consumer happiness is highly dependent on service and employee dedication.

## METHODOLOGY

## **OBJECTIVES OF THE STUDY:**

The main purpose of this study is to evaluate customer satisfaction of banking service in the State Bank of India. The other objectives are:

- To examine the various services provided by IndusInd Bank in Chennai City.
- To identify the factors those influence the selection of IndusInd Bank in Chennai City.
- To study the level of customer satisfaction towards the services provided by the IndusInd Bank in Chennai City.
- To examine the expectations and the level of satisfaction of the customers towards the service rendered by IndusInd Bank.

## **SCOPE OF THE STUDY**

This study focuses on the level of customer satisfaction with IndusInd Bank's banking services in Chennai. Additionally, the study entails determining and analysing consumer satisfaction with a bank.

## **SIGNIFICANCE OF THE STUDY**

Customer feedback on the various financial services is very important for banks to gather; doing so will help them take proactive measures to keep their competitive edge in today's banking market. In fact, the bank's overall effectiveness in the future will unquestionably depend on their own assessment of their performance.

## **DATA COLLECTION METHOD**

The ideal approach for gathering data is through surveys, and questionnaires are the instruments of choice. This approach is highly popular, especially when handling significant inquiries. It is being adopted by private persons, academic studies, public and private enterprises, and even the government.

This procedure entails sending a questionnaire to the relevant parties and asking them to complete it and return it. A questionnaire has a number of questions regarding training requirements that are both particular and generic.

## **PRIMARY DATA**

The Primary source of data was collected through survey method with the help of a questionnaire. The questionnaire includes the question drafted for the enquiry about the customer friendly services and the level of satisfaction among the customers regarding these services.

Proper care was taken to frame the questionnaire in such a manner it should be easily understood in view of educational level of the Customer. Questionnaire are prepared and asked to the 100 customers of the IndusInd Bank, in Chennai City.

## **SECONDARY DATA**

The Secondary data was collected from the literature available on the subject, information available on internet, published articles and different books on banking sector.

## **DATA ANALYSIS AND INTERPRETATION**

The necessary information was gathered using a questionnaire, and with the aid of tables with pertinent descriptions, it was evaluated and interpreted. The raw data has undergone appropriate processing, and logical inferences have been made in light of the results.

## ASSESSMENT THE DEGREE OF SATISFACTION OF SERVICES OFFERED BY THE BANK

### Tangibility

**Table -1**

S.No	Tangibility	SA	A	N	DA	SDA	Total
1	I am satisfied with the premises (infrastructure, building etc) of the bank and it is visually appealing.	42	12	10	20	16	<b>100</b>
2	I am satisfied with the technological up to- date equipment's of the bank	48	17	10	15	10	<b>100</b>
3	I am satisfied with the marketing materials distributed by the bank.	54	16	02	18	10	<b>100</b>
4	Website gives complete information.	68	12	05	10	05	<b>100</b>
5	I am satisfied with the premises (infrastructure, building etc) of the bank and it is visually appealing.	40	30	10	14	06	<b>100</b>
<b>AVERAGE</b>		<b>252</b>	<b>87</b>	<b>37</b>	<b>77</b>	<b>47</b>	<b>500</b>
		<b>(50.4)</b>	<b>(17.4)</b>	<b>(7.4)</b>	<b>(15.4)</b>	<b>(9.4)</b>	<b>(100)</b>

The necessary information was gathered using a questionnaire, and with the aid of tables with essential descriptions, it was evaluated and interpreted. The raw data has been appropriately processed, and reasonable inferences have been drawn based on the findings. It can be concluded from the preceding table that the "Tangibility" component has a significant agreement of 50.4%. I'm satisfied with the marketing materials the bank has provided, according to 54% of respondents, who strongly agree with the variable 'Website delivers complete information'. These statements demonstrated that 68% of respondents were happy with the tangibility. One-fourth of the remaining responders (25%) are unsatisfied and disagree with the tangibility.

### CUSTOMER LOYALTY

**Table -2**

S.No	Customer Loyalty	SA	A	N	DA	SDA	Total
1	I always use this Bank in every mybank activities/ transactions	62	10	05	17	06	<b>100</b>
2	I Say positive things about the bank to other people	52	26	12	05	05	<b>100</b>
3	I will never change this Bank even Ifound another bank offer	35	20	30	05	10	<b>100</b>

<b>4</b>	Encourage friends and relatives to do business with Bank	30	55	07	08	0	<b>100</b>
	<b>AVERAGE</b>	<b>179</b>	<b>111</b>	<b>54</b>	<b>35</b>	<b>21</b>	<b>400</b>
		<b>(44.75)</b>	<b>(27.75)</b>	<b>(13.5)</b>	<b>(8.75)</b>	<b>(5.25)</b>	<b>(100)</b>

From the above table it inferred that ‘customer loyalty’ factor has strongly agreed 44.75 %, 27.5 % agreed and 13.5 % neutral reaming 14 % disagreed . Among the variable ‘I always use this Bank in every my bank activities/ transactions’ alone strongly agreed 62 % and ‘I Say positive things about the bank to other people’ has 52 %. The result showed the above table majority of customers 72.5 % are agreed the customer loyalty. Remaining few customers 14 % disagree the customer loyalty.

## SECURITIES

**Table -3**

S.No	Security	SA	A	N	DA	SDA	Total
<b>1</b>	I feel safe when using this Bank	40	28	20	8	4	<b>100</b>
<b>2</b>	The bank is very concerned with the security for my transactions	40	28	22	5	5	<b>100</b>
<b>3</b>	The Bank keeps the customer Information securely	<b>61</b>	15	10	8	6	<b>100</b>
<b>4</b>	Performance of the bank/staff is well and it’s impossible that I Lose my transactions.	48	22	16	10	4	<b>100</b>
<b>AVERAGE</b>		<b>189</b>	<b>93</b>	<b>68</b>	<b>31</b>	<b>19</b>	<b>400</b>
		<b>(47.5)</b>	<b>(23.25)</b>	<b>(17)</b>	<b>(7.75)</b>	<b>(4.75)</b>	<b>(100)</b>

From the above table it is inferred that ‘Security’ factor has strongly agreed 44.25 %, 23.25 % agreed and 17.0 % neutral reaming 12.5 % disagreed. Among the variable ‘The Bank keeps the customer Information securely’ alone strongly agreed 61 % and ‘Performance of the bank/staff is well and it’s impossible that I Lose my transactions.’ has 48 %. The result showed the above table majority of customers 70.5 % are agreed the bank security factor is feel safe and specifically majority of the customers agreed that banks keeps his records vey securely and it’s not impossible to lose his transaction. Few 12.5 % of the customers disagreed with security measures of the banking transaction.

## DESCRIPTIVE ANALYSIS FOR ATTRIBUTES OF SERVICE QUALITY

**Table -4**

Attributes of Service Quality	Mean Value	Std. Deviation
Respondent opinion about Bank offers fast and efficient services	3.8400	1.26107

Respondent opinion about Friendliness of bank personnel	3.2500	1.52007
Respondent satisfaction level by the service of handling a problem (speed of problem solving)	3.4200	1.37936
Respondent with the way bank provides the services at the time they promised	3.8900	1.30186
I am satisfied with the way bank delivers up to date record	4.6300	.79968
knowledge of the employees (up to date knowledge about products, services, rules and regulations)	3.7500	1.18386
I am satisfied with the operating hours of the bank	3.6700	1.40745

**Computed Data**

From the above table it's inferred that among the variable of service quality customer of the IndusInd Bank are overall satisfied services very much satisfied with the way bank provide up to date bank records and moderately satisfied friendliness of Bank personnel but some what they are not happy with the employees' behaviour with the customers.

**DESCRIPTIVE ANALYSIS FOR ATTRIBUTES OF CUSTOMER SATISFACTION**

**Table -5**

<b>Attributes of Customer satisfaction</b>	<b>Mean</b>	<b>Std. Deviation</b>
This Bank is exactly what I need.	3.6400	1.28330
The information that presented by this Bank is accurate	4.0100	1.31422
ATM Availability	3.2000	1.46336
Employees Behaviour	3.7800	1.39682
This bank gives breadth and depth Customer	3.6300	1.33829
There are guarantees of this Bank	4.0500	1.32859
There are privacy policies in this Bank	3.8000	1.44250
Bank Technology	3.9100	1.31882
Phone Banking	3.3500	1.43108
Core Banking	4.2000	1.37069
Employees telling customers exactly what services will be performed	4.0400	1.14521

**Source: Computed Data**

From the Above table it's inferred that among the variable of customer satisfaction of customer of the

IndusInd Bank are overall satisfied services very much satisfied with core banking and guarantees of this bank, Employees telling customers exactly what services will be performed by the bank but some what they are not happy with the ATM availability and employee behaviour of the IndusInd Bank.

## CONCLUSION

In the highly competitive world of today, banks can gain a competitive edge by offering their clients excellent services. The majority of the banks in India have relatively undiversified product and service offerings. Retaining as many customers as possible is one strategic goal that banks can use to stay competitive. Additionally, only customer happiness allows for customer retention. Thus, in today's cutthroat business environment, client happiness is the key to success.

Some negative aspects were also discussed, such as raising awareness of online transactions, loan interest rates, ATM facilities, etc. Because of this, some suggestions were offered to the management, including focusing on online services, resolving banking issues quickly, and promoting loan options like industrial, business, agricultural, and personal loans through appealing advertisements.

The level of customer happiness is influenced by employee behaviour, banking services, and banking performance, so the IndusInd Bank must immediately create customer-friendly schemes and portfolios as a first step. These would thereby significantly improve customer happiness, allay customer concerns, and reduce the overall number of customers. Given that a successful financial structure is based on client happiness, perhaps this would undoubtedly result in a thriving economy.

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