



Study on Factors Affecting Satisfaction Towards Banking Services

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DOI: <https://doi.org/10.55248/gengpi.5.0424.0975>

ABSTRACT

The study looks into what makes customers happy with banking services. It examines things like how good the customer service is, how easy it is to use bank facilities, what new technologies are available, how reliable transactions are, how clear the fees are and how valuable people think the services are overall. It also considers factors like age, occupation, education and cultural background to see how these affect satisfaction levels. The goal of the research is to figure out how banks can make their services better to meet customer needs and build stronger, longer-lasting relationships with them. The findings show that making improvements in these areas can make customers much happier with their banking experience, leading to more loyalty and positive recommendations from customers to others.

Keywords: customer satisfaction, customer service quality, technological advancements, fee transparency.

1. Introduction

Banking services are crucial for the global economy, facilitating transactions, saving and investments. The competitive financial landscape, keeping customers satisfied is vital for the success of banks. What the factors influence customer satisfaction in banking is key for banks to improve their services, keep existing customers and attract new ones. However, there's still ongoing research to fully grasp how factors like service quality, convenience, trust and satisfaction.

The importance of customer satisfaction in banking can not be overstated. Unsatisfied customers switch to other competitors, and leading to decrease the profit. Moreover, as digital banking rises to explore, how it impacts customer satisfaction and what strategies banks can use.

Ultimately, the aim is to fill these gaps by investigating various factors affecting satisfaction in banking, providing insights to help banks improve their services and strengthen their competitive edge. It aims to benefit individual banks and contribute to a broader understanding of improving customer satisfaction across the financial sector.

2. Concept-

A study on what makes people happy with their banking experiences looks at many different things. These include how good the customer services are, how easy it is to access bank services, what new technologies are being used, how reliable transactions are, how clear the fees are and how valuable people think the services are overall. The study also looks at who the customers are, things like their age, how much money they make, their education and where they come from because these things can affect what the people expect from their banks and how happy they are with them. Researchers do this to figure out how banks can do better at making their customers happy, so they keep using the bank and tell other people to do the same.

3. Literature Review –

1. Singh and Kaur (2011), conducted a survey based study, identifying seven factors affecting customer satisfaction: employee responsiveness, tangibles appearance, social responsibility, service innovation and reliability.
2. Hom (2000), satisfaction refers to a feeling or a short term attitude that can change owing to various circumstances. Observable behaviors like product choice, complaint or repurchase.
3. Tse & Wilton (1998), described satisfaction as consumers' response to the perceived discrepancy between prior expectations and actual product performance after consumption.

4. The research by Matzler , Hinterhuber , Bailomand Sauerwien (1996), examined factors influencing customer satisfaction in select Indian Universal Bank.
5. Mothey (1994) , highlighted the role of meeting customer expectations in achieving satisfaction.
6. Anderson & Sullivan (1993) , characterized satisfaction in banking services as apost purchase evaluation of product quality based on pre – purchase expectations.
7. Bennett (1992), emphasized the importance of being customer driven for the competitive advantage in banking.

4. Research Methodology

4.1 Objectives of the Study :-

- The customer are aware with the technology of banking services.
- Satisfaction the mostly Identify key services components (like, online banking , interest rate).
- The banks resolution the process of customers complaint and how its satisfied.
- The banking services always focus on relation between customer satisfaction and customer loyalty.

4.2 Research Design :- this study is in descriptive nature data since it is based on primary data facts and findings of investigation in a structured manner.

Data Collection Method :- for this data collection ,created a questionnaire, some survey and interviews in banks and market.

Sample Size :- 105 response on questionnaire by customers.

Sampling Area :- it cover Rajasthan and Madhya Pradesh , banking services to customers provides by banks.

Research Instrument :- Instrument used for this study was questionnaire .Questionnaire was prepared and circulated to people through survey method.

Data Analysis

Table 1 :- About Nominal Data

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 25	61	58.1	58.1	58.1
	25 to 40	24	22.9	22.9	81.0
	40 above	20	19.0	19.0	100.0
	student	42	40.0	40.0	40.0
	business	27	25.7	25.7	65.7
	service	25	23.8	23.8	89.5
	other	11	10.5	10.5	100.0
	Madhya pradesh	41	39.0	39.0	39.0
	Rajasthan	56	53.3	53.3	92.4
	other	8	7.6	7.6	100.0

(Source :- from SPSS)

In above the table ,it is clear that 58.1% age persons belongs to majority fall with in age bracket, 22.9% belongs to 25 to 40 age group and, 19% age followed 40 above age group. And above 105 respondents 40% are student , 25.7% of business , 23.8 % of service , 10.5 % of other. 39%people belongs to Madhya Pradesh ,53.3% are Rajasthan and 7.6% are other.

Table 2 :- Likert Scale Analysis

Descriptive Statistics			
	N	Mean	Std. Deviation
how often do you use banking services	105	1.65	.480
How satisfied are you with the customer support provided by your bank	105	1.90	.791
how do you access your Banking Services most frequently	105	1.98	.808
How would you rate the importance of "interest rates" in determining your satisfaction with banking services	105	1.91	.845
Out of the following list of attributes, which do you feel the customer service banks possessed	105	2.15	1.099
How would you describe the accessibility and availability of our ATMs and branch locations	105	2.17	.985
To what extent do you feel that the interest rates and fees associated with our banking services are fair and transparent	105	1.97	.995
How satisfied are you with the speed and efficiency of our online transactions, including fund transfers and bill payments	105	2.17	.985
How likely are you to recommend our banking services to friends or family	105	1.41	.583
Valid N (list wise)	105		

(Source :- from SPSS)

In above the table , it is clear that 1.65% of using banking services,1.90% of customer satisfaction towards banking , 1.98% are access your banking services , 1.91% indicating significance attributed to this banking , 2.15% are strength of bank services , 2.17% indicating relatively positive this regard , 1.97% reflecting moderated satisfaction levels , 2.17% generally positive feedback , 1.41% average too recommend the banks services.

Table 3 :- Oneway Annova

		Sum of Squares	df	Mean Square	F	Sig.
how often do you use banking services	Between Groups	2.138	3	.713	3.299	.023
	Within Groups	21.824	101	.216		
	Total	23.962	104			

How satisfied are you with the customer support provided by your bank	Between Groups	11.602	3	3.867	7.308	.000
	Within Groups	53.446	101	.529		
	Total	65.048	104			
how do you access your Banking Services most frequently	Between Groups	8.588	3	2.863	4.870	.003
	Within Groups	59.373	101	.588		
	Total	67.962	104			
How would you rate the importance of "interest rates" in determining your satisfaction with banking services	Between Groups	20.009	3	6.670	12.425	.000
	Within Groups	54.219	101	.537		
	Total	74.229	104			
Out of the following list of attributes, which do you feel the customer service banks possessed	Between Groups	12.394	3	4.131	3.687	.014
	Within Groups	113.167	101	1.120		
	Total	125.562	104			
How would you describe the accessibility and availability of our ATMs and branch locations	Between Groups	19.312	3	6.437	7.968	.000
	Within Groups	81.602	101	.808		
	Total	100.914	104			
To what extent do you feel that the interest rates and fees associated with our banking services are fair and transparent	Between Groups	10.462	3	3.487	3.810	.012
	Within Groups	92.453	101	.915		
	Total	102.914	104			
How satisfied are you with the speed and efficiency of our online transactions, including fund transfers and	Between Groups	12.873	3	4.291	4.923	.003
	Within Groups					

bill payments	Within Groups	88.041	101	.872		
	Total	100.914	104			
How likely are you to recommend our banking services to friends or family	Between Groups	.944	3	.315	.922	.433
	Within Groups	34.447	101	.341		
	Total	35.390	104			
How would you rate your overall satisfaction with our Banking Services	Between Groups	7.218	3	2.406	3.079	.031
	Within Groups	78.916	101	.781		
	Total	86.133	104			

(SOURCE :-FROM SPSS)

Occupation* Where are you from ? Crosstabulation

Table 4 :- Crosstabulation

Count		where are you from			Total
		Madhya Pradesh	Rajasthan	other	
occupation	student	20	18	4	42
	business	14	12	1	27
	service	6	16	3	25
	Other	1	10	0	11
Total		41	56	8	105

(Source :- from SPSS)

Chi – Square Table :-

Table 5 :- Chi – Square test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.117 ^a	9	.001
Likelihood Ratio	30.335	9	.000
Linear-by-Linear Association	3.025	1	.082
N of Valid Cases	105		

(Source :- SPSS Output)

a. 8 cells (50.0 %) have expected count less than 5. The minimum expected count is 0.31 .

Findings

- Using data patterns for banking services ,with a mean frequency score of 1.65 out of 3.
- Customer support satisfaction respondents to the satisfied, with a mean satisfaction score 1.90 out of 3.
- Interest rate is very important in banking services , with a mean score of 1.91 out of 3.
- Customer service attributes are suggest for improvement in certain areas ,with a mean score of 2.15 out of 5.

- Accessibility of ATM's and Branches location generally positively and nearly in market, with a mean rating of 2.17 out of 5.
- Fairness of interest rate and fees are transparency with customers ,with rating of 1.97 out of 3
- The speed of online transaction are satisfied ,with a mean rating of 2.17 out of 3.
- Highly recommend banking services to others ,with a mean rating of 1.41 out of 3.

Conclusion

The study highlights that customer satisfaction in banking is not just influenced by one thing ,but a mix of factors like service quality , convenience , technology ,customer services and trust. Banks need to understand these factors to improve satisfaction and keep customers loyal .With technology and customer preferences changing , banks must constantly update their services to meet evolving needs .

By focusing on customers and addressing these factors , banks can build better relationship and stay competitive. Using the finding of the study , banks can improve how they do things . They can make their services better , deliver them more efficiently , and make customers happier. This help build trust and keeps customers coming back , which is crucial for the banks to succeed in a tough market where everyone is competing with each other.

Acknowledgement

I want to thank Parul University for allowing me to do my project with them ,it really helped me learn a lot. Dr. Mayur Rao provided valuable guidance and support throughout. Special thanks to all the respondents who took the time to fill out my questionnaire and supporting during my final year project.

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