

A Study on Customer Satisfaction towards Public Sector Banking Services in Chennai

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A STUDY ON CUSTOMER SATISFACTION TOWARDS PUBLIC SECTOR BANKING SERVICES IN CHENNAI

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Abstract:

The performance of public sector banks is significantly influenced by customer satisfaction. which are essential for economic development and financial inclusion. This study examines customer satisfaction towards public sector banking services in Chennai, focusing on service quality, digital banking, and customer support. Both primary and secondary data are used in the descriptive and analytical design of the study. Primary data were collected from 100 public sector bank customers through a structured questionnaire. The findings show that most customers are satisfied with the bank's reputation, ATM services, fund transfer efficiency, and grievance redressal mechanisms. However, issues such as long queues, occasional service delays, and limited staff during peak hours were identified. The study concludes that improving digital services and service efficiency can further enhance customer satisfaction and loyalty.

KEYWORDS: Customer satisfaction in public sector banks is influenced by service quality, digital banking and customer perception.

INTRODUCTION

Public sector banking refers to banks that are owned and managed by the government at the central or state level. These institutions form an important part of the financial system by collecting public savings and providing loans to different sections of the economy. Public sector banks support economic growth by financing key areas such as agriculture, industry, and small businesses, while also helping to implement government programs focused on financial inclusion and social welfare. Through their wide branch networks and customer reach, they play a significant role in promoting balanced economic development and ensuring access to banking services for all sections of society.

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REVIEW OF LITERATURE:

R. Geetha and Dr. R. Pooranima Rani (2016) studied the impact of demographic factors on women customers' satisfaction in public sector banks in Chennai. Using a sample of 600 respondents and ANOVA analysis through SPSS, the study examined how demographics influence banking service dimensions. The findings showed that demographic variables significantly affect customer satisfaction, offering insights for improving bank services.

B. Kishori and M. Mahalakshmi (2021) examined customer satisfaction with SBI services, focusing on satisfaction levels and service performance using percentage analysis and chi-square tests. Their study found that customers generally experienced moderate service delays but were satisfied with several banking services, while expecting improvements in certain areas due to rising competition.

RM Shanmugam and M. Chandran (2022) studied the relationship between service quality and customer satisfaction in e-banking services of commercial banks. The study used data from 600 respondents and applied factor analysis, regression, and structural equation modelling. The results showed that reliability, security, assurance, technology, and service speed significantly influence e-banking service quality. The study concluded that customer satisfaction depends largely on efficient and secure internet-based banking services.

OBJECTIVES:

1. To assess the satisfaction level of the customers towards public sector banking services.
2. To evaluate the service quality of various banking services provided.
3. To identify the problems faced by customers towards banking services.

RESEARCH GAP:

Despite extensive studies on banking services, limited research focuses specifically on customer satisfaction with public sector banks in Chennai. Existing studies often emphasise either digital banking or service quality in isolation, rather than examining both together. There is a lack of updated evidence reflecting recent changes in customer expectations and technology adoption. Moreover, customer-reported issues such as long queues and service delays are not sufficiently explored in earlier research. This study solves these shortcomings by providing a comprehensive and location-specific analysis.

RESEARCH METHODOLOGY

The study adopts a descriptive and analytical research design to examine customer satisfaction towards public sector banking services in Chennai. Both primary and secondary Data were used for this study.

A systematic questionnaire was used to gather primary data. distributed to customers using Google Forms, secondary data were gathered from journal articles, websites, and previous research studies. A sample size of 100 respondents was selected using convenience

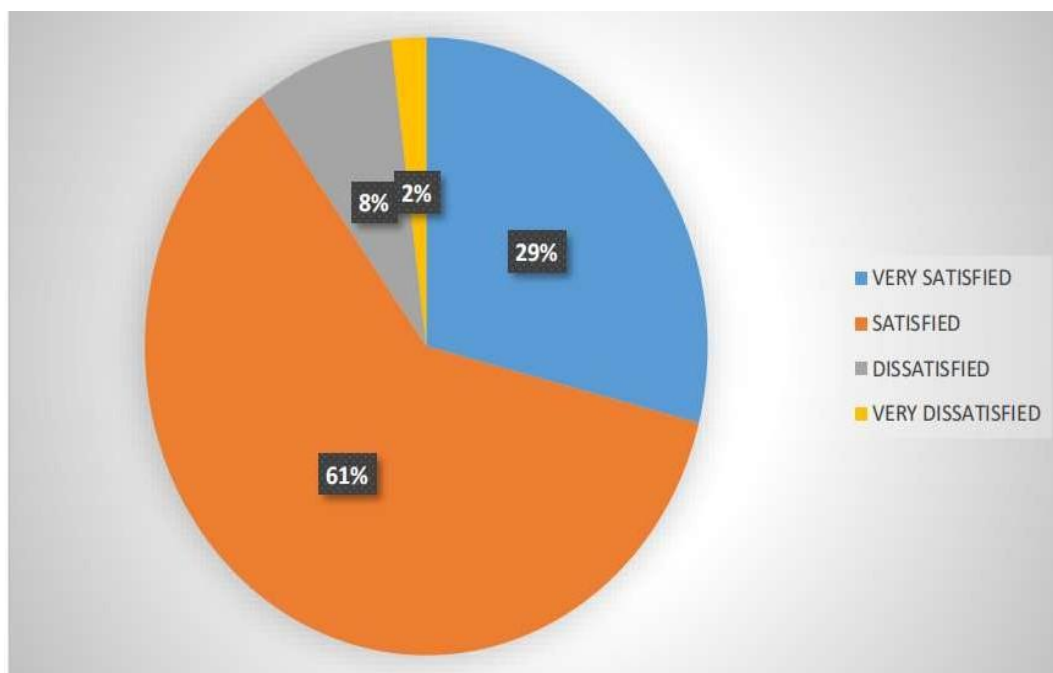
sampling, and the data were analysed using simple percentage analysis.

DATA ANALYSIS INTERPRETATION:

The analysis shows that a majority of respondents are satisfied with the key banking services provided by public sector banks. Most customers expressed satisfaction with ATM services and rated fund transfer services as efficient, indicating smooth and reliable transaction facilities. Cheque clearing and demand draft services were also positively rated, with many respondents describing them as good or excellent. However, the study reveals that service delays are experienced occasionally by a large number of customers, highlighting the need for better time management and service efficiency at bank branches. Overall, the findings indicate satisfactory service performance with scope for improvement in reducing delays.

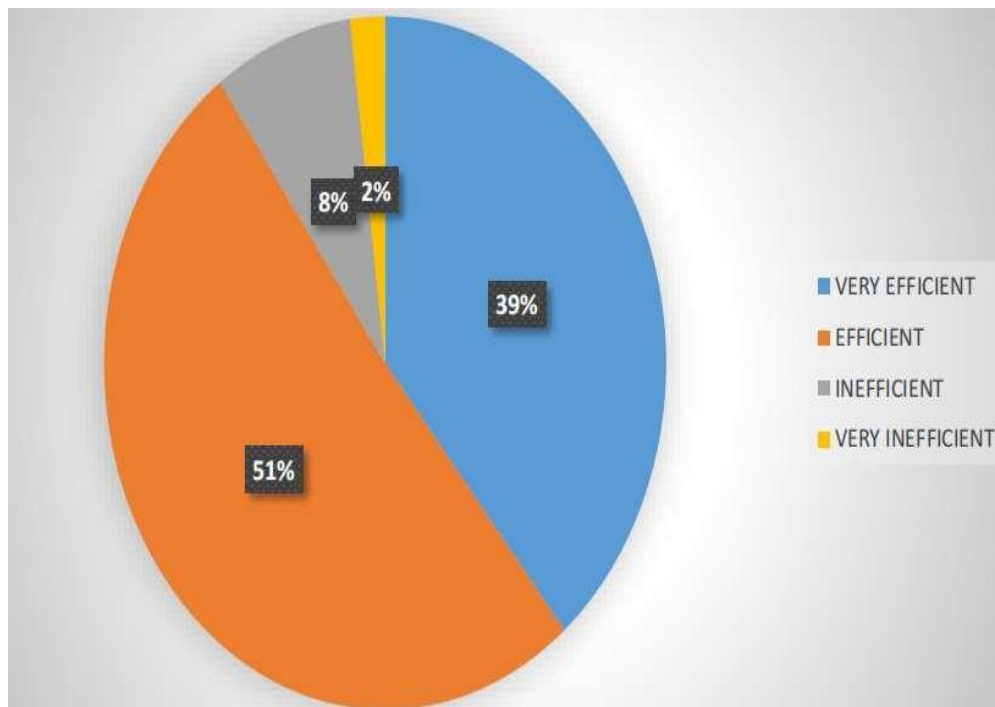
The following findings are further illustrated,

FIGURE 1: SATISFACTION WITH THE ATM SERVICES



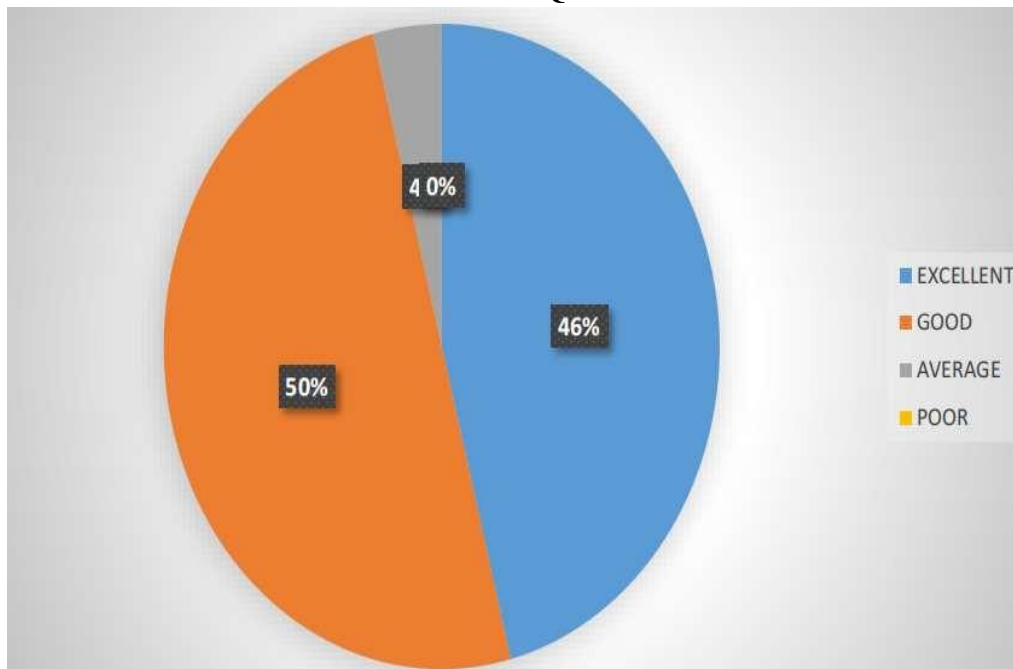
The figure indicates that most of the respondents are satisfied with the ATM services.

FIGURE 2: EFFICIENCY OF FUND TRANSFER SERVICES



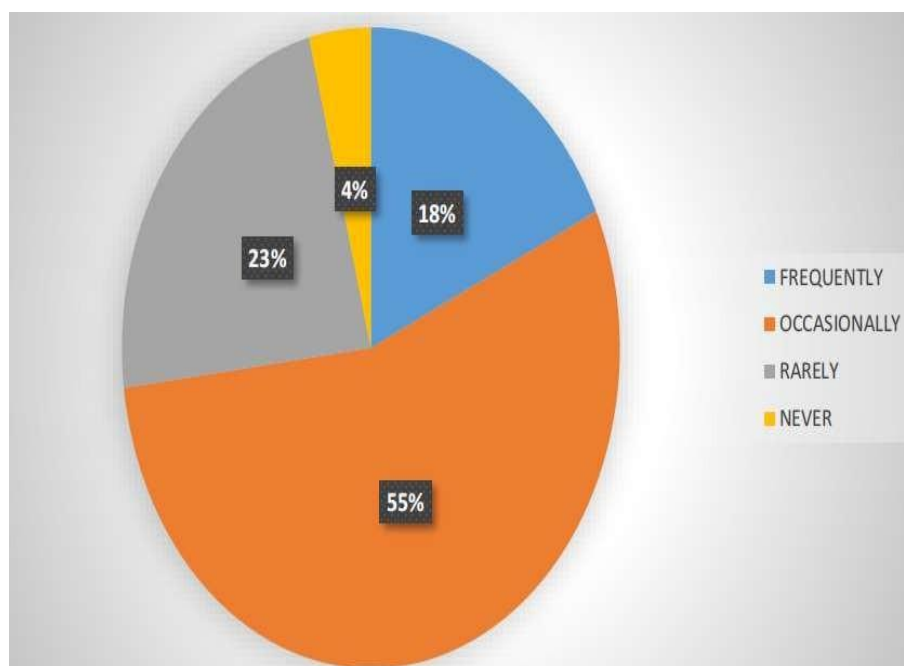
The figure indicates that most of the respondents rated efficiency of fund transfer services as efficient.

FIGURE 3: SHOWING RATINGS OF CHEQUE CLEARING AND DD SERVICES



The figure indicates that most of the respondents rated cheque clearing and DD services as excellent.

FIGURE 4: SHOWING DELAYS IN SERVICE AT BANK



The figure indicates that a majority of the respondents experiencing delay in services occasionally.

DISCUSSIONS:

The study suggests that public sector banks should reduce long queues by improving staff deployment during peak hours. Digital banking services should be made more user-friendly through better design and customer training programs. Introducing token systems and online appointments can improve service speed and efficiency. Regular customer feedback should be collected to continuously improve service quality.

SCOPE OF FURTHER STUDY:

The study examines customer satisfaction towards public sector banking services in Chennai. It focuses on service quality, digital banking, ATM facilities, customer care, and grievance handling. The scope is limited to individual customers of selected public sector banks within the study area.

CONCLUSION:

The study concludes that customers are generally satisfied with public sector banking services in Chennai. Services such as ATM facilities, fund transfers, and customer care have received positive responses. However, issues like occasional service delays and long queues still affect customer experience. By addressing these challenges, public sector banks can enhance customer satisfaction and loyalty.

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