



## **Positive growth in banking business by private sector bank in semi urban areas with special reference to ICICI bank**

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### **Abstract**

In the current competitive environment, relationship marketing is essential to the success of banking companies. The bank is a customer-oriented service industry and Indian banks have begun to realize that business depends on customer service and customer satisfaction. This drives them to improve customer service and build relationships with customers. This examination, directed with ICICI Bank customers, planned to recognize consumer loyalty factors that prompt relationship constructing and to build up an applied structure of relationship advertising hones by catching customers' perspectives on their fulfillment as to administrations.

**Keywords:** banking, ICICI, urban, satisfaction

### **1. Introduction**

The banking sector is one of a very supportive factor in winning the competition because they are very competitive in the delivery of services to quickly get to the customer with satisfactory service than the competitors will win the competition business. Industry Banking is an industry that is engaged in providing a stimulus services to customers so that, customers would save money in the bank.

The management of the bank is required to be able to achieve a good level of service quality. Therefore, the required quality control system always oriented to the identification of what the needs and consumers. Quality control system is important because as a process that is not easy for an organization, even more so this involves corporate culture, management therefore need to design services so that consumers can be satisfied of the services offered by banks. Delivery of services with higher quality than competitors consistently is one way to distinguish a bank with other banks.

ICICI Bank Ltd is a head private division manage an account with retail, private and discount keeping money stages that serve more than two million clients. With 80 years of history in India and utilizing ICICI's worldwide money related aptitude, the bank offers a wide scope of inventive and set up items and administrations, over its 527 branches. The bank, which has near 10,000 representatives, is likewise recorded in Bombay Stock Exchange Limited and National Stock Exchange of India Limited. ICICI Bank was positioned among top 5 Most Trusted Brands among private segment banks in India in the Economic Times Brand Equity – Nielsen study 2011.

### **2. Statement of the Problem**

The present study seeks to address a number of factors and unexplained occurrences present in the banking industry in India. The main objective of this research is to study, analyze and assess the customer satisfaction levels in the ICICI Bank

and develop a conceptual framework of satisfaction from the perspective of the customer, guided by the basic concepts and principles in marketing and management. This study also aims to study and evaluate the links between customer satisfaction level and level of development or progress in the participating banking companies or firms. In order to do so, the customer satisfaction levels will be analyzed with the help survey that includes different parameters that influence much of the satisfaction of the customers. In this research, the focus is on the customer facing level; this will be done by viewing and assessing the opinion and perspective of the customer in relation to satisfaction with different service parameters, and various services provided by the bank.

### **3. Review of Literature**

Lynette M. McDonald, Sharyn Rundle-Thiele, (2013) <sup>[1]</sup> This study reviews the literature on CSR effects and satisfaction, noting gaps in the literature. By understanding the likely impact on customer satisfaction of CSR initiatives vis-à-vis customer-centric initiatives, the academic research community can assist managers to understand how to best allocate company resources in situations of low customer satisfaction. Such endeavours are managerially relevant and topical. Researchers trying to test the recommendations set forward in this paper would have the capacity to pick up joins with, and conceivably draw in financing from, banks to lead their examination. Such undertakings may help specialists to rethink the partner see by putting clients at the focal point of a system of partners.

G.S. Sureshchandar, Chandrasekharan Rajendran, R.N. Anantharaman (2014) <sup>[2]</sup>, This study adopts a different approach and views customer satisfaction as a multi-dimensional construct just as service quality, but argues that customer satisfaction should be operationalized along the same factors (and the corresponding items) on which service quality is operationalized. Based on this approach, the link

between service quality and customer satisfaction has been investigated. The results have indicated that the two constructs are indeed independent but are closely related, implying that an increase in one is likely to lead to an increase in another.

Madhukar G. Angur, Rajan Natarajan, John S. Jahera Jr, (2014), this study examines the applicability of alternative measures of service quality in the developing economy of India and assesses related issues in that context. Based on data gathered from customers of two major banks, overall results support a multidimensional construct of service quality and suggest that the service quality scale provides greater diagnostic information than the service quality scale. However, the five-factor conceptualization of service quality does not seem to be totally applicable, and no significant difference was found in the predictive ability of the two measures. Further, although service quality.

Erdener Kaynak, Orsay Kucukemiroglu, (2015) [4], This study examines an empirical study by questionnaire survey to determine the importance of selected patronage factors used by 106 Hong Kong consumers in choosing domestic and foreign banks. Although Hong Kong consumers use domestic banks more, they perceive the usefulness of a select number of services in a similar manner for both domestic and foreign banks. Suggests lessons that banks may learn from the results.

G.S. Sureshchandar, Chandrasekharan Rajendran, R.N. Anantharaman, (2015) [5], this study focus on investigating the critical factors of customer perceived service quality in banks of a developing economy – India. Compares and contrasts the three groups of banks in India with respect to the service quality factors from the perspective of the customers. Customers in developing economies seem to keep the “technological factors” of services such as core service and systematization of the service delivery as the yardstick in differentiating good and bad service while the human factors seem to play a lesser role in discriminating the three groups of banks.

#### 4. Objectives of the Study

- The following are the main objectives of the study.
- To find the customer profile for future reference
- To find the level of satisfaction in semi urban areas
- To pin point and identify strong weak points of banking industry that would need to be sustained and those that need to be developed or improved
- To provide a set of empirical data that can link relationships between customer level satisfaction and profitability of banking business success

#### 5. Hypothesis of the study

- There is no significant relationship between gender and overall satisfaction of the respondent.
- There is no significant relationship between age and overall satisfaction of the respondents.
- There is no significant relationship between occupational status and overall satisfaction of the respondents.

- There is no significant relationship between annual income and overall satisfaction of the respondents

#### 6. Tools Used For the Study

Questionnaire was collected on the basis of the various factors affecting industrial relation statistical tools used for analysis of data. The data collected was analyzed using the tools like

- Percentage method
- Chi-square Test

#### 7. Findings of the Study

**Table 1:** Demographic Characteristics of the Respondents

<b>Gender</b>		
	<b>No. of respondents</b>	<b>Percentage</b>
Male	88	70
Female	38	30
Total	125	100
<b>Age</b>		
25 & below	41	33
26-35	34	27
36-45	21	17
46-55	18	14
56 & above	11	9
Total	125	100
<b>Educational Qualification</b>		
Up to HSC	11	9
Graduate	31	25
Post Graduate	48	38
Professional & Others	34	27
Doctorate	1	1
Total	125	100
<b>Occupation</b>		
Salaried	60	48
Self-employed	13	10
Professional	7	6
Business	19	15
Student	12	10
Retired	9	7
Housewife	7	6
Total	125	100
<b>Number of Transaction per month in a bank</b>		
Less than Rs 10,000	34	27
Rs 10,001-Rs 20,000	46	37
Rs 20,001-Rs 30,000	22	18
More than Rs 30,000	22	18
Total	125	100
<b>Mode of dealing with Bank</b>		
E-Banking	73	58
Traditional Banking	53	42
Total	125	100
<b>Duration of maintaining your A/c</b>		
Less than 1 year	17	13
1-5 year	75	60
5-10 year	21	17
Above 10 year	13	10
Total	125	100

**Table 2:** Chi Square Analysis

S.NO	Personal Factors	Level of Satisfaction				
		VALUE	Df	p-Value (1% level of significance)	S/NS	
<b>1</b>	<b>Gender</b>	Pearson Chi-Square	14.29	2	0.000	S
		Likelihood ratio	14.90	2	0.000	
		Linear-by-Linear Association	4.10	1	.002	
		No. of Valid Cases	125			
<b>2</b>	<b>Age</b>	Pearson Chi-Square	36.86	8	0.000	S
		Likelihood ratio	47.95	8	.000	
		Linear-by-Linear Association	23.74	1	.000	
		No. of Valid Cases	125			
<b>3.</b>	<b>Educational Level</b>	Pearson Chi-Square	64.20	8	0.000	S
		Likelihood ratio	64.46	8	.000	
		Linear-by-Linear Association	2.39	1	.017	
		No. of Valid Cases	125.			
<b>4.</b>	<b>Annual Income</b>	Pearson Chi-Square	25.33	6	0.000	S
		Likelihood ratio	30.10	6	0.000	
		Linear-by-Linear Association	3.04	1	0.07	
		No. of Valid Cases	125			

(1% level of significance)

**8. Suggestion**

- Majority of the respondents owned current A/C, only very less percentage of the respondents owned Saving A/C. So the Saving A/C level of customers should be increased.
- Many of the customers are associated with ICICI Bank with more than 32 years. This should be maintained with the help of customer relationship department.
- The media advertising is not in effective manner, it should be revised with respect to modern customer thoughts.
- Majority of the customer are not satisfied with the service charges. The service charges should be minimized or eliminated to increase customer satisfaction thereby to increase referral.
- The paper work processing time should be minimized to increase customer satisfaction in all aspects.
- ATM Network should be increased based on customers thoughts.
- The customer level of satisfaction with available credits with favorable terms should be increased.

**9. Conclusion**

Customer satisfaction is very important in today e-world industry. In banking sector, customers who shift banks mainly do so because they are dissatisfied with service. At the same time, customers who are satisfied with their bank's service stay loyal, even if they have to pay a little more for it. Therefore few things are more important than ensuring customer loyalty in today's competitive banking environment. While the only way to gain loyal customers is through service, banks can show their appreciation by devising attractive programs that reward customers not only for the size of their bank account, but also for the length of the relationship, reference provided, number of products held etc. This study has been conducted from ICICI customers successfully, all the feedback has been collected through questionnaire and suitable suggestion has been brought to the

top management of the company for their consideration.

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