

Customers' Perception Towards Services Offered by State Bank of India

Sachin¹, Dr Shakti Singh²

¹Research Scholar, Department of Commerce, Maharshi Dayanand University, Rohtak

²Assistant Professor, Department of Commerce, Maharshi Dayanand University Rohtak

Abstract— The banking sector plays a stellar role in the growth of an economy. It mobilises the resources and channelises for optimum utilisation. State Bank of India is one of the leading public banks having a market capitalisation of 4.44 trillion INR which induced the researcher to examine a study on consumer's perception towards services offered by SBI bank. Perception is the satisfaction measuring tool with the help of the quality of services offered. A semi-structured questionnaire has been employed to collect the relevant data. Data has been obtained from the consumers of the State Bank of India branches in Rohtak city. A sample survey of 200 participants was analysed using different descriptive statistics tools mean, max, min, standard deviation and non-parametric tests applied to find the mean difference in observed and expected frequencies. Descriptive statistics analysed the factors of preference of SBI and suggested improving the different services while results of the non-parametric test revealed a significant difference in observed and expected frequency distribution.

Keywords— Banking Sector, Customers, Perception.

I. INTRODUCTION

India is a rapidly growing economy and financial institution is the backbone of each economy. The banking sector plays a stellar role in boosting the economy by mobilising financial resources and their channelisation for efficient utilisation. Global competitiveness and liberalisation in economies increased the competition among all sectors. Customers have a large number of service providers that give a number of choices, a consumer may opt for the best service provider who can meet their expectations. The banking sector also faces high competition that leads to an increase in customer expectations. Banks have to design different strategies to compete in the market and provide different services for customer satisfaction. However, there is no significant difference in core services offered by banks while some additional services are offered by different banks and the degree of service quality varies. Service quality is a qualitative measurement that helps to measure customer satisfaction. The term customer satisfaction is frequently used in marketing help to measure how the product and services offered by a company meet customer satisfaction. It may be defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals." This paper aims to measure the customer perception of the different factors on basis of which they prefer one bank over the other. Customer perception is customer satisfaction measurement with the help of quality service received. Service quality can be evaluated by the experience received from that service. The degree of customer satisfaction can be measured by comparing the perception and actually received. If the quality of the service matched the customer's perception, they should be satisfied. If expectations exceed the quality received, customers will dissatisfy and if quality services provided by the bank exceed the perception customers will be highly satisfied. Hence customer satisfaction is the result of the overall assessment of customers' perceptions and the services provided by banks.

II. LITERATURE REVIEW

(Rahman, 2014) exhibited the comparative analysis of customer satisfaction among the public and private sector banks. The researcher collected the data using a well-structured questionnaire from 100 respondents. This study revealed that different private banks and foreign banks offer new services to customers but customers are not aware of them so managers should promote the programmes to aware customers. In the comparative analysis, it was found that new banks are attracting customers by providing different services and gaining the trust of the customer.

(Mrs.S.Chitra & Dr.A.Ramasetu, 2021) examined the customer satisfaction provided by SBI in Coimbatore city. Primary and secondary data have been used in the current study to analyse customer satisfaction. The chi-square test is used to process the data. Results of the study revealed that the majority of respondents are extremely satisfied with the ATM services, responsiveness and convenience services, and a large number of customers are neutral with internet, mobile and customer care services offered by SBI bank. This study suggested focusing on individual banking services and improving internet banking and customer dealing services.

(Adesoga & Louise, 2016) conducted a study to analyse the factor affecting banking preference. This study was based on primary data, data has been collected using structured questionnaires from open distance learning students. T-test and factor analysis are used to analyse the results. The study concluded that all the factors have a significant effect on customers' perception and banking professionalism is the prominent factor followed by a strong commitment to meeting customers' needs and interaction with the user's family these factors are the most preferred factors to choose a bank. Hence this study recommended that banks should focus on more professionalism and fulfil the commitment made by them and also focus on polite interactions with the customer and their family members.

(Raj, 2013) explored the satisfaction the satisfaction level of State Bank of Indian customers against the banking service provided by SBI. Researcher used both primary and secondary data to achieve the results. Primary data collected using the questionnaire from 120 respondents. Rank correlation and percentage analysis used to process the data. Majority of respondent believed that SBI bank meet all types of banking needs, 42% respondent agreed that SBI provide ease loan facilities, most of the respondent felt that SBI will not charge any unnecessary fee while 76% customer faced difficulty while opening an account, only 38% customers knew the investments schemes of SBI scheme. Finally, this study suggested to SBI to ease the terms of opening an account and aware the people about their different investment schemes.

(Philip, 2020) examined the perception of customers of private and public sectors banks. Researcher collected the data from primary and different secondary sources. Primary data was collected from 650 respondents using questionnaire. Tabulation and different tests used to analyse the data. Result of this study found that customers of new private banks are more satisfied as compare to old private and public sector banks and it was also found that urban sector bank offer better services than semi-urban and rural banks. Researcher suggested to public banks and private banks to improve their services and different awareness champions should be organised to aware the facilities in semi-urban and rural areas.

(Taneja & Kaushik, 2009) In the current study, the association between five independent parameters and user demographics, together with the evaluated perception of bank customers, was investigated. These factors were taken from the extensive collection of statements by the factor analysis. In summary, only limited evidence was discovered to support the study's hypotheses, which suggests that customer opinion of banks is a complex issue and that a multilayer framework can be used to forecast user perception. The different aspects are seen by bank customers as five distinct factors: core services, service facilities, service staff, technology, and parking.

(Suman Ghalawat & Sunita Mehla, 2013) seeks to understand the numerous influences on service quality and how these influences affect different demographic aspects. 200 clients from 5 selected banks—SBI, PNB, ICICI Banks, HDFC, and AXIS Bank, provided the information. The SPSS 13 program was utilized to examine the data using a data reduction approach called factor analysis. Moreover, ANOVA was used in the study. “Authentication and authorization, acceptance, security, accessibility, promotional services, competitive advantage, data integrity, and simplicity of use” are the seven characteristics that made up the original 20 variables included in the study, according to the study's results. The survey also showed a substantial correlation between demographic factors (occupation, age, gender, and education) and the many aspects that respondents thought were crucial when determining the quality of service when using electronic banking.

(Kaur, 2015) measured the level of job satisfaction among Indian universal bank employees. It focuses on determining the elements that affect workers of universal banks' overall job satisfaction and how those factors affect those factors. 380 bank employees were used as a sample population, and data were

acquired using a convenience' technique. According to the findings of an EFA 8 factors—including the work environment, supervision, peer collaboration, work discrimination, employee acceptance, task allocation, job security, and compensation—were identified as significant predictors of job satisfaction. According to the results of regression analysis, employee acceptance, peer collaboration, supervision, and task allocation are all independent variables that have an impact on bank workers' degree of job satisfaction, which is the dependent variable.

(Karim & Arora, 2016) evaluated the elements that influence customer retention, the importance level at which customers assess the branch's banking services, as well as the staff's view of client retention. Data from a sample of 352 bank customers and 8 branch staff were obtained by questionnaire and interview to meet the study's objectives. Both quantitative and qualitative methodologies were also used. This group of respondents was chosen by a non-probability purposive sampling technique. Secondary data were gathered via reading publications, magazines, bulletins, and bank papers. The acquired data underwent descriptive analysis. According to the study's findings, customers were most unhappy with issues relating to branch services, branch response times, PNBs' customer service in comparison to private banks, and PNBs' loan policies in comparison to private banks. These are issues that have a direct impact on customers' willingness to return to a branch. Also, clients remarked that the branch's handling of complaints was insufficient and suggested making additional changes to the branch's current banking services.

(Gupta & Mandkini Paruthi, 2019) has tried to understand how consumers feel about the combo deals that banks are offering, as well as the elements that affect customers' purchase decisions. The study's main objective is to pinpoint the crucial elements influencing consumer buying decisions. The right mixture of ratio, interval, nominal, and 5-point Likert scales is employed in the questionnaire' to obtain the data, which is done using an easy sampling technique. Jalandhar City served as the source of the sample, which included 200 respondents. To profile clients, descriptive statistics were first used. A study framework was created, and the EFA method was used for data reduction (Mbama & Ezepue, 2018). The study yielded 4 factors. The four elements are Money Value, Advertising & Value-Added Services', Sales' Promotion Activities' & Services.

(Thakur, 2020) concluded that clients are happy with the service the bank offers. Credit cards, mobile banking, and internet banking were the next most popular payment methods after ATMs and debit cards. With ATM debit cards, bank customers feel more at ease. The study's primary focus is on consumers' opinions of banks' online banking services. (Punjab National Bank). The majority of customers choose to withdraw cash from ATMs. Customers are generally happy with the bank's services.

(Priya & Subbulakshmi, 2021) evaluated how customers in Chennai City felt about the e-banking services offered by HDFC Bank'. This study aims to determine the consequences of the quality of the e-services' offered to HDFC Bank clients in Chennai City. Using the use of a structured questionnaire and

102 respondents, a descriptive and analytical study was done. The data were analyzed using percentage analysis, Garrett's Ranking technique, and factor analysis

(Dr. S.Sudalaimuthu & B. Angamuthu, 2013). The survey tried to evaluate the consumers' level of knowledge and their experience as HDFC Bank clients. According to the report, e-banking services have almost become a requirement for every smartphone owner due to the benefits they offer in addition to other operations. The current analysis concludes that HDFC e-banking usage is at a reasonable level.

(C.B. Pavithra & Dr. K. Geetha, 2021) sought to determine the variables influencing customers' perceptions of digital banking services, as well as their degree of satisfaction and preference. Surveying 150 users of digital banking after creating a structured questionnaire, this study employed percentages and factor analysis (Exploratory Factor Analysis, n.d.). The findings show that respondents of different ages favor using digital banking over traditional banking. Customers use their cell phones to do their digital banking activities. Consumers believe that digital banking is user-friendly, pervasive, and instantaneous and that the services are satisfactory.

(Kumar, 2022) studied Punjab National Bank Door Step Banking Facilities. The charges of the PNB bank are cheaper than the private banks. PNB is the only bank in the nation that reduces the DSB facilities charges during the pandemic. The process to avail of the facilities of PNB bank is very easy. Banks manage their services as per market requirements like digitalization and information technology advancement. Through Doorstep Banking facilities the bank makes a great effort for the nation to achieve the financial inclusion target for this bank to provide basic banking necessities to the needy portion of the population of India.

(KYAW, 2022) placed a strong emphasis on examining the variables affecting customer satisfaction concerning foreign banking transactions at Punjab National Bank in Yangon. To accomplish the goals of the study, descriptive and analytical research methodologies are employed. Using random selection techniques, 100 customers—or 50% of all customers—who use Punjab National Bank's overseas banking services are chosen. According to the study, consumer satisfaction had a positive, substantial association with security, functioning service, and price fairness. For the Punjab National Bank in Yangon, the study's findings are optimistic.

Objective:

1. To analyze the perception of customers regarding services offered by SBI bank.
2. To give the suggestive measure to improve upon customers services.

III. RESEARCH METHODOLOGY

The current research used the primary data source to collect the information regarding perception of customers regarding services offered by SBI. A semi-structured questionnaire is used as a tool to obtain the required data. Questionnaire was circulated among 250 SBI branches customers of Rohak city out of which 200 responded. Descriptive statistics such as mean,

standard deviation, min, max and non-parametric test are employed to process the data.

TABLE 1 Demographic Profile

TABLE 1.1 Age frequency

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	upto 18	30	15.0	15.0	15.0
	18-60	169	84.5	84.5	99.5
	above 60	1	.5	.5	100.0
	Total	200	100.0	100.0	

TABLE 1.2: Gender

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	44	22.0	22.0	22.0
	female	156	78.0	78.0	100.0
	Total	200	100.0	100.0	

TABLE 1.3: Education Profile

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	.00	1	.5	.5	.5
	Graduation	73	36.5	36.5	37.0
	post-graduation	105	52.5	52.5	89.5
	Be.d	3	1.5	1.5	91.0
	Ph.D	18	9.0	9.0	100.0
Total		200	100.0	100.0	

TABLE 2: Descriptive statistics

Descriptive Statistics

	Min	Max	Mean	Std. Dev	Ranking
Ease of opening a bank account	1	5	4.2	0.70888	1
Mobile phone banking services	2	5	4.065	0.87441	2
Internet banking facilities	1	5	4.06	0.93851	3
Availability of ATMs in convenient locations services	1	5	4.055	0.8751	4
Confidentiality of information	1	5	3.975	0.95337	5
Reputation of the bank	1	5	3.965	0.92088	6
Variety of services offered	1	5	3.91	0.88078	7
Provision of fast and efficient services	1	5	3.91	0.89212	8
Professionalism of bank staff	1	5	3.875	0.87934	9
Financial stability of the bank	1	5	3.82	0.94449	10
Proximity to office/home	1	5	3.755	0.85359	11
Ability to offer promised services	1	5	3.745	0.9078	12
Promptness of service	1	5	3.73	0.94422	13
Individualised attention to customers	1	5	3.725	1.0022	14
Financial counselling services	1	5	3.655	0.95947	15
Staff courtesy and friendliness	1	5	3.635	0.98316	16
Low service charges	1	5	3.57	1.03463	17
Easily obtainable loans	1	5	3.555	0.95999	18
Low Interest rate on loans	1	5	3.51	1.04179	19
Higher returns on savings	1	5	3.38	1.03487	20

Sources: Researcher Computation using SPSS

The results of descriptive statistics revealed that most of people were highly satisfied with service of ease of opening an account in SBI, followed by mobile banking, internet banking.

Availability of ATMs are also quite satisfactory while the perception towards the services such as professionalism of staff, financial stability is moderately satisfying the customers needs. However, these services may be improved by the bank and may help to satisfy its customers. Services like staff courtesy and friendliness, low service charges are dissatisfactory. The SBI should pay attention towards to provide better services that may help to increase its customers. In this analysis it also came to know that it is difficult to obtain loan from SBI and interest rate charged on loan amount is also high whereas returns on saving are low. These are the most concerning issue faced by customers.

TABLE 3: Normality Test

Services offered by SBI bank	Mean	Median	Mode	Normality
Ease of opening a bank account	4.2000	4.0000	4.00	NO
Availability of ATMs in convenient locations services	4.0550	4.0000	4.00	NO
Provision of fast and efficient services	3.9100	4.0000	4.00	NO
Variety of services offered	3.9100	4.0000	4.00	NO
Staff courtesy and friendliness	3.6350	4.0000	4.00	NO
Professionalism of bank staff	3.8750	4.0000	4.00	NO
Low service charges	3.5700	4.0000	4.00	NO
Financial stability of the bank	3.8200	4.0000	4.00	NO
Higher returns on savings	3.3800	3.0000	4.00	NO
Financial counselling services	3.6550	4.0000	4.00	NO
Easily obtainable loans	3.5550	4.0000	4.00	NO
Reputation of the bank	3.9650	4.0000	4.00	NO
Proximity to office/home	3.7550	4.0000	4.00	NO
Low Interest rate on loans	3.5100	4.0000	4.00	NO
Internet banking facilities	4.0600	4.0000	4.00	NO
Confidentiality of information	3.9750	4.0000	4.00	NO
Promptness of service	3.7300	4.0000	4.00	NO
Ability to offer promised services	3.7450	4.0000	4.00	NO
Mobile phone banking services	4.0650	4.0000	4.00	NO
Individualised attention to customers	3.7250	4.0000	4.00	NO

Sources: Researcher Computation using SPSS

The researcher measured the mean difference in perception of different types of customers on basis of different demographic profile and the difference in means of expected and actual received services. There may be parametric and non-parametric test that may be used to process the data.

Parametric test may be applied on a population having certain assumption to be fulfilled such as normality, independency, linearity, and homogeneity while non parametric test is assumption free test. One of key feature of normal distribution is that it has equal value of mean median and mode. On basis of this feature a data series may be tested weather it is normally distributed or not. As shown in Table 3 there is no single statement found equal values of mean, median and mode. Hence it can be said that the sample is not normally distributed. So non parametric test may be used.

IV. CONCLUSION

This paper aims to find the perception of customers regarding services offered by SBI bank. The descriptive analysis found that there are numerous services provided by bank out of which some services strongly satisfy the customers' needs such as there is easy to open an account in SBI, mobile banking

services, internet services and easily availability of ATMs at convenient places while some services such as fast and efficient services, professionalism and financial stability that moderately satisfy the customer needs. The services like staff courtesy, availability of loans, interest rate on loans and low saving interest rate are discouraging its customers these are the main concerning matter that SBI must improve these services to increase the satisfaction of its customers and to increase and retain its customers. However, this study is limited to the Haryana NCR Rohtak city SBI branches, it may be explored in different areas and result can be matched accordingly, there may be some different results.

TABLE 4: Non-Parametric test

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
14	The categories of Easily obtainable loans occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
15	The categories of Reputation of the bank occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
16	The categories of Proximity to office/home occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
17	The categories of Low Interest rate on loans occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
18	The categories of Internet banking facilities occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
19	The categories of Confidentiality of information occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
20	The categories of Promptness of service occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
21	The categories of Ability to offer promised services occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
22	The categories of Mobile phone banking services occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
23	The categories of Individualised attention to customers occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Sources: Researcher Computation Using SPSS

REFERENCES

- Adesoga, A., & Louise, V. S. (2016). Consumer perceptions of banking services: Factors for bank's preference. *Risk Governance and Control: Financial Markets and Institutions*, 6 (4Continued3), 375–379. <https://doi.org/10.22495/rcgv6i4c3art2>
- Kaur, G. (2015). towards working environment of Perception of bank employees' selected Indian universal banks. *International Journal of Bank Marketing*, 33(1), 58–77. <https://doi.org/10.1108/IJBM-10-2013-0117>
- Kumar, R. (2022). A Study Of Punjab National Bank Door Step Banking

- Facilities. *School of Commerce & Management, Om Sterling Global University, Hisar, 30, 1936–1940.*
- [4]. Mrs.S.Chitra & Dr.A.Ramasethu. (2021). A Study on Customer Satisfaction towards Banking Services Provided By SBI in Reference with Coimbatore City. *International Journal of Analytical and Experimental Modal Analysis, XII(XI)*, 306–315.
- [5]. Philip, A. T. (2020). *Customer Perception on Banking Services -A Study Among Public Sector and Private Sector Banks. March.*
- [6]. Priya, J., & Subbulakshmi, S. (2021). Customers ' Perception Towards E - Banking Services Offered By Hdfc Bank In Chennai City. *International Journal Of Multidisciplinary Research In Arts, Science & Commerce (IJMRASC), I(1)*, 12–19.
- [7]. Rahman, W. (2014). Customer Satisfaction Towards Private and Public Commercial Banks in Bangladesh. *D.U. Journal of Marketing, June 2014.*
- [8]. Raj, A. (2013). A Study On Customer Satisfaction Of Commercial Banks:Case Study On State Bank Of India. *IOSR Journal of Business and Management, 15(1)*, 60–86. <https://doi.org/10.9790/487x-1516086>
- [9]. Suman Ghalawat, & Sunita Mehla. (2013). E-Banking And Its Effect On Demographic Variables Of Customers: A Study Of Selected Banks In Hisar. *Arth Anvesan, 8(2)*, 19–30.
- [10]. Taneja, G., & Kaushik, N. (2009). Factors Influencing Customer Perception Towards Banking ServiceS. *Research Gate, September.*
- [11]. Thakur, S. (2020). Customer Perception Towards ATM Services a Case Study on PNB. *International Journal of Economic Perspectives, 14(1)*, 1–12. <https://doi.org/https://ijeponline.org/index.php/journal/article/view/31> Customer