

Customers Delight towards Service Excellence in Indian Overseas Bank Chennai

Dr. D. PAULDHINAKARAN,

Assistant Professor, Department of Commerce,
Jayagovind Harigopal Agarwal Agarsen College, Chennai

ABSTRACT

The purpose of this research article is to evaluate the customers' delight towards the service excellence in IOB in Chennai, Tamil Nadu. The researcher conducted a literature search on banking services of IOB interviewing of its 100 customers and thoroughly scrutinized how it caters to the banking needs of the inhabitants of IOB in Chennai Tamil Nadu. The study also focused on various factors that determine the customers' satisfaction like employees' behaviour, banking services, banking performance, infra- structure facility and other value added services. Analysis was made by using various tools like percentage Analysis. It is evident from the present study that a majority of the customers are highly satisfied with the banking services. This study is based on the primary data. Non-Random Sampling has been used for the collection of data. Collected data's are analyzed through percentage analysis, Chi Square, Correlation and weighted average. After the analysis findings and suggestions were included in this article. From the final analysis it has been concluded that in IOB, it was found that the customers are satisfied with the services.

Keywords: Customer Awareness and Delight, banking services, Indian Overseas bank.

INTRODUCTION

The banking industry is the blood vascular system of our economy. It has a positive role to play in the economic development of the country as repositories of people's savings and purveyors of credit, especially as the success of economic development depends on the mobilization of resources and their investment in an appropriate manner. The banking sector is the backbone of any financial system of the economy. Commercial banks play an important role in the development of developing economies by mobilization of resources and their better allocation. The rapid growth of banks, especially since nationalization of major commercial banks in 1969, brought in both quantitative and qualitative changes in their functioning and also approach towards socio-economic development of the country. In the light of liberalization, privatization and globalization a lot of challenges were faced by the commercial banks. In the post-nationalization period, the proportions of rural areas in total number of bank branches as well as in credit deployment and deposit mobilization have been declined. On the other hand, the metropolitan areas registered a high increase in their percentage share in total expansion, credit deployment and deposit mobilization. Therefore, in the post- nationalization era, the performance of the banking system with respect to branch

expansion in the rural and till then unbanked areas, mobilization of deposits, deployment of credit, population coverage and so on has indeed been creditable and perhaps has no parallel in the annals of banking elsewhere.

STATEMENT OF THE PROBLEM

After financial sector reforms in 1990 the entire Banking sector got revamped and reshaped in its functional and operational aspects in tune with liberalization, privatization and globalization. It is to be noted that banking industry is unique and distinct in one respect that the products offered by the banks are identified with little difference from one to another. Thus, the product attraction receives less importance, as the products of other banks are identical in nature. The only factor that differentiates a bank from others is the way in which it functions and renders services to the customers. It is evident that there is a changing phenomenon regarding how the customers are being served by the banks. During 1950s to 1960s, the customer delight towards service excellence in Indian overseas bank rather than to satisfy the customers. Service to customer to their delight was absent during the period.

After nationalization of banks in 1969, the banks give more importance to customer orientation rather than profit orientation. After the financial sector reforms in 1990, the banks are bound to gratify the customers and thereby the customers are retained as the customers of the banks concerned. Despite so many measures initiated at various levels to improve the standard of customer service, the level of delight perceived by various segments of customers has been low. The effectiveness, efficiency, growth and success of a bank amongst its competitors depend upon the level of delight of its customers towards services rendered to them.

Hence the Researcher made an attempt to study the delight of customers towards the services of IOB banks in Chennai terms of four dimensions namely, towards Infrastructure/Location, Attitude of staff, Operation/Services, Service Charges.

METHODOLOGY

A descriptive research design was adopted for the study. It accounts for both primary and secondary data. Primary source of data were collected from customers through structured interview schedule by way of personal interview in addition to this, personal interactions have been made with the IOB customer in Chennai to get some first-hand information on customer service. Secondary data were collected from books, journals and Websites.

SAMPLING

Convenient sampling method is used. The researcher has taken 100 samples from customers of IOB in Chennai Tamilnadu.

OBJECTIVES OF THE STUDY

- ✓ To study the customer delight level on service rendered by IOB in Chennai.
- ✓ To evaluate the infrastructure facility at IOB.

HYPOTHESIS:

Null Hypothesis (H_1) : There is no significant difference between Gender and Immediate Attention.

Alternative Hypothesis (H_2) : There exists a significant difference between Genders And Immediate Attention.

Null Hypothesis (H_3) : There is no significant difference between time taken for Service and delight level.

Alternative Hypothesis (H_4) : There exists significant difference between time taken for service and delight level.

DATA ANALYSIS AND INTERPRETATION

TABLE 1: AGE OF THE RESPONDENTS

S.NO	AGE	NO OF RESPONDENTS	PERCENTAGE (%)
1.	Below 20 yrs	9	9
2.	25 to 35 yrs	44	44
3.	40 to 60 yrs	30	30
4.	Above 60	17	17
	Total	100	100

SOURCES: Primary Data

From the above table it is known that 9% of the customers are below 20yrs and 44% of the customers are 25 to 35yrs and 30% of the customers are 40 to 60yrs and 17% of the customers are above 60yrs.

TABLE: 2: GENDER OF THE RESPONDENTS

S.NO	GENDER	NO OF RESPONDENTS	PERCENTAGE (%)
1.	MALE	59	59
2.	FEMALE	41	41
	TOTAL	100	100

SOURCES: Primary Data

From the above table it is that there are 59% of male customers and 41% of female customers in the bank.

TABLE: 3: Occupation of the Respondents

S.NO	OCCUPATION	NO OF RESPONDENTS	PERCENTAGE
1.	Business	14	14
2.	Government	17	17
3.	Private	43	43
4.	Others	26	26
	Total	100	100

SOURCES: Primary Data

From the above table it is that 14% of customers are doing business and 17% of the customers are government employee and 43% of the customers are private employee and 26% of the customers are others.

TABLE: 4: INCOME OF THE RESPONDENTS

S.NO	INCOME	NO.OF.RESPONDENTS	PERCENTAGE
1.	Below 10000	30	30
2.	10000-20000	47	47
3.	20000-40000	19	19
4.	40000-60000	4	4
	Total	100	100

SOURCES: Primary Data

From the above table it is known that 30% of the sample respondents have monthly income of below 10000 and 47% of the respondents have monthly income of 10000 to 20000 and 19% of the respondents have monthly income 20000 to 40000 and 4% of the respondents have monthly income 40000 to 60000.

TABLE: 5: RESPONDENTS BANKING WITH IOB

S.NO	RESPONDENTS BANKING WITH IOB	NO OF RESPONDENTS	PERCENTAGE
1	1 YEAR	22	22
2	1 - 5 YEARS	47	47
3	5 – 10 YEARS	26	26
4	ABOVE 10 YEARS	5	5
	TOTAL	100	100

SOURCES: Primary Data

From the above table it is known that 22% of the respondents have a banking of below 1yr and 47% of the respondents have a banking of 1 to 5yrs and 26% of the respondents have a banking of 5 to 10yrs and 5% of the respondents have a banking of above 10yrs.

TABLE: 6: DELIGHT LEVEL WITH THE BANK SERVICE

S.NO	PARTICULARS	NO.OF.RESPONDENTS	PERCENTAGE (%)
1.	Yes	79	79
2.	No	21	21
	Total	100	100

SOURCES: Primary Data

From the above table 79% of the respondents said yes that they satisfied with the service and 21% of the respondents said no.

CHI-SQUARE TEST**Gender vs. Immediate Attention to Customers:**

Null Hypothesis (H_0) : There is no significant relationship between Gender and Immediate Attention.

Alternative Hypothesis (H_1) : There exists a significant relationship between Gender and Immediate Attention.

TABLE: 7: Observed frequencies:

Variables	Male	Female	TOTAL
Excellent	12	12	24
Good	23	8	31
Moderate	10	9	19
Poor	8	6	14
Very Poor	6	6	12
Total	59	41	100

TABLE: 8: Expected frequencies:

Variables	Male	Female	TOTAL
Excellent	15	9	24
Good	18	13	31
Moderate	11	8	19
Poor	8	6	14
Very Poor	7	5	12
Total	59	41	100

TABLE: 9: Calculation of Chi Square

Observed frequency(O_i)	Expected frequency(E_i)	$O_i - E_i$	$(O_i - E_i)^2$	$(O_i - E_i)^2 / E_i$
12	15	-3	9	0.6
12	9	3	9	1
23	18	5	25	1.38
8	13	-5	25	1.92
10	11	-1	1	0.09
9	8	1	1	0.13
8	8	0	0	0
6	6	0	0	0
6	7	-1	1	0.14
6	5	1	1	0.2
Total				5.46

Degree of Freedom = $(C-1)(R-1) = (2-1)(5-1) = 4$

$E_i = (C_i * R_j) / n$; n= no of respondents. Table value at 0.05 is 9.488. Calculated value is 5.46

Since calculated value < table value,

Result:

Null Hypothesis is accepted.

There is no significant relationship between gender and Immediate Attention.

ONE WAY ANOVA

FINDING THE ASSOCIATION BETWEEN TIME TAKEN FOR SERVICE AND DELIGHT LEVEL.

Null Hypothesis (H_0) : There is no significant difference between time taken for Service and delight level.

Alternative Hypothesis (H_1) : There exists significant difference between time taken for service and delight level.

TABLE: 10:TABLE TIME TAKEN FOR SERVICE AND DELIGHT LEVEL

SARTISFACTION LEVEL	HS	S	N	DISS	H DISS	TOTAL
Excellent	15	10	5	1	1	32
Good	15	15	5	0	0	35
Moderate	4	10	10	4	0	28
Poor	0	1	1	0	0	2
Very Poor	2	1	0	0	0	3
Total	36	37	21	5	1	100

$$N=25$$

$$T^2/N = (100)^2/25$$

$$= 400$$

$$\begin{aligned} \text{Total sum of square (SST)} &= \sum x_{ij}^2 - (T^2)/n \\ \text{Total ss} &= 352+475+232+2+5 \\ &= 1066-400 \\ \text{SST} &= 666 \end{aligned}$$

$$\begin{aligned} \text{Sum of square of column (SSC)} &= \sum x_{ji}^2 - (T^2)/n \\ &= (1062)/5 \\ &= 400-212 \\ \text{SSC} &= 188 \end{aligned}$$

$$\begin{aligned} \text{Sum of square of error (SSE)} &= \text{TSS}-(\text{SSC}+\text{SSR}) \\ &= 666-(188+0) \\ \text{SSE} &= 478 \end{aligned}$$

TABLE: 11:ANOVA RESULT FOR DIFFERENCE BETWEEN TIME TAKEN FOR SERVICE AND DELIGHT LEVEL

SOURCES OF VARIATION	SS	D. F	MS	F-RATIO	5% F-LIMIT F(4,15)
SSC	188	$(5-1) = 4$	$(188 / 4) = 47$	1.97	2.87
SSE	478	$(25 - 5) = 20$	$478/20 = 23.9$		
Total (SST)	666	$(25-1) = 24$			

Since calculated value (1.97) < Table value (2.87) the Null hypothesis is accepted. Therefore it is concluded that there is no significant difference between time taken for service and delight level.

FINDINGS

- 27% of the respondents said excellent about the hospitality and 36% of the respondents said good and 25% of the respondents said average and 9% of the respondents said poor and 35 of the respondents said very poor.
- 39% of the respondents said excellent about the rest room and 34% of the respondents said good and 20% of the respondents said average and 6% of the respondents said poor and 1% of the respondents said very poor.
- 35% of the respondents said excellent about the drinking water and 40% of the respondents said good and 22% of the respondents said average and 2% of the respondents said poor and 1% of the respondents said very poor.
- 37% of the respondents said excellent about the international visa card and 40% of the respondents said good and 20% of the respondents said average and 2% of the respondents said poor and 1% of the respondents said very poor.
- 30% of the respondents said that the mobile banking is excellent and 45% of the respondents said good and 21% of the respondents said average and 2% of the respondents said poor and 3% of the respondents siad very poor.
- 38% of the respondents feels that the payment of bills is excellent and 0% of the respondents feels good and 17% of the respondents feels average and 4% of the respondents feels poor and 1% of the respondents feels very poor.
- 46% of the respondents feels that debit card is excellent and 26% of the respondents feels good and 20% of the respondents feels average and 5% of the respondents feels poor and 3% of the respondents feels very poor.

- 15% of the respondents feels that the charges levied for DD is high compare to others and 39% of the respondents feels moderate and 20% of the respondents feels low and 26% of the respondents feels competitive.
- 16% of the respondents feels that the charges levied for minimum balance is high compare others and 33% of the respondents feels moderate and 24% of the respondents feels low and 27% of the respondents feels competitive.
- 23% of the respondents feels that the charges levied for locker is high and 36% of the respondents feels moderate and 23% of the respondents feels low and 18% of the respondents feels competitive.
- 80% of the respondents said yes that the bank timing is comfortable and 20% of the respondents said no.
- There exist a positive correlation between the Neatness and Accuracy.
- There is no significant relationship between gender and Immediate Attention.
- There is no significant difference between time taken for service delight level.

SUGGESTIONS AND RECOMMENDATIONS

- ✓ As 40% of the IOB customers feel that their hospitality is poor, the staff at IOB can try to improve on it and be little friendlier to their customers.
- ✓ The bank can try to reduce the charges levied on DD, minimum balance and for locker facility, as some of their customers have an opinion that their charges are high.
- ✓ As less than 50% of the customers feel that they are not comfortable with the seats at IOB, the bank can provide their customers with a better seating arrangement.
- ✓ About 70% of the customers felt that IOB's drinking water and rest room facilities are comfortable for them, this can be maintained.
- ✓ As most of the respondents are highly satisfied with the maintenance of records which are neat and error free, the bank can maintain this kind of good work.
- ✓ Bank timings are comfortable for about 80% of the respondents, so I suggest that the bank can continue to have the same timing

CONCLUSION

The banking sector in India is undergoing major changes due to competition and the advent of technology. The customer is looking for better excellence and services which can provide him/her with delight. From the above study made in IOB on the topic "Customer Delight Towards Service Excellence In Indian Overseas Bank Chennai" It is inferred that the customers are satisfied with the excellence of banking services. But they face technical as well as administrative problems. Further to promote services, it is of importance that the banks must ensure excellence in customer service. It is evident from the present study that a majority of the customers are highly satisfied with the banking services. From the final analysis it has been concluded that in IOB, it was found that the customers are satisfied with the services.

References

- Suriyamurthi, S., Mahalakshmi, V., & Arivazhagan, M. (2013). Global banking survey: A new era of customer satisfaction with reference to India. *African Journal of Business Management*, 7(2), 125.
- Singh, J., & Kaur, G. (2011). Customer satisfaction and universal banks: an empirical study. *International Journal of Commerce and Management*, 21(4), 327- 348.
- Deepti Kanojia., & Yadav, D. R. (2012). Customer satisfaction in commercial banks - A case study of Punjab National Bank. *International Journal of Trade and Commerce-IIARTC*,1(1), 90-99.
- Zikmund and d'amico, Marketing, South – western college publishing, 2001.
- R. S. N. Pillai and V. Bagavathi, Statistics S. chand company Ltd, 2002. [
- Philip kotler, Marketing Management, prentice – Hall of India Private Ltd, April 2002.
- C.R. Kothari, Research Methodology methods and Techniques, New Age International (P) ltd, publishers, 2006.
- Donald R. Copper and Pamela S. Scihindler, Business Research Methods, Tata Mcgraw – Hill publishing company Ltd, 2006.
- Richard I. Levin and David S. Rubin, Statistics for management, prentice – Hall of India private Ltd., 2006.
- Dr. D.Paul Dhinakaran, “Passengers impression towards Tamilnadu State Transport corporation” A Journal of road Transport, (ISSN: 2394-2495) Volume I, Issue X, January- March 2017, P.1-10.
- . Alok kumar Srivastava and Dr. P. Chatarjee, “An analytical study of commercial banking services and customer satisfaction”.
- Agarwal, B.P. (1981). Commercial Banking in Indian after Nationalisation– A study of Their Policies and Progress, Classical Publishing Company, New Delhi.
- Bhagawati, P. and Agarwal, D. (1981). Commercial Banking in India after nationalisation – A study of Their Policies and Progress. Classical Publishing Company, New Delhi. Vol. 272p.
- Bhaskar, P.V. (2004). Customer Service in Banks. *IBA Bulletin*, Vol. XXVI, No. 8 (August), pp.9-13
- Mr. Ninehil ChandraShil and Mr. Muzakkeeral Huda, “Explicating customer satisfaction: survey on private commercial banks
- D.Paul Dhinakaran, “Bus Operations of Service Quality in Tamil Nadu State Transport Corporation Limited, Kumbakonam” *Asian Journal of Management, (A and V Publication)*, (ISSN: 0976 – 495X), Volume: 4, Issue: 1, May, 2013.