

A STUDY ON CUSTOMER SATISFACTION

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ABSTRACT: This study will facilitate the bank to find the way, which lifts up the bank operations to continuously delight the customers by offering innovative products and services as well as increase the value of products on an on-going basis and provide them at reasonable rates. The study intended to identify customer satisfaction and find out the elements where the bank has to improve in order to make the customers highly satisfied by its services. In this modern scenario, banking industry in India is in transition path. Every bank is competing with each other to expand their market share. This study will help the bank to made needed modification towards its profitable move. Only monitoring compliant levels does not really tell if the customers are any more or less satisfied with the product or service. So that this study is intended to identify the level of satisfaction and level of dissatisfaction towards various products and services render by the bank.

Keywords: Customer Satisfaction, Causes of Dissatisfaction, Nature of Competition, ImportantProcedur to improve Satisfaction.

1.1 INTRODUCTION

Because of globalization, internationalization, technical innovations, law deregulations, and market saturation, the current situation of the banking industry is changing. The intensity of competition increases due to new products and services as well as the entrance of competitors from other industries, such as the so-called non- and near banks. Even more, the continuously growing educational standard as well as better opportunities to gather information induce enormous changes in customer behavior. Thus, competition for customers becomes more difficult and considering the growing intensity of competition, the major banks' need for sustained competitive advantage increases organizations often thinks the way to measure customer satisfaction is to examine the number of customer complaints. Only monitoring compliant levels does not really tell if the customers are any more or less satisfied with the product or service. So that this study is intended to identify the level of satisfaction and level of dissatisfaction towards various products and services render by the bank.

1.1.1 Meaning of customer satisfaction

The meaning of customer satisfaction has been commonly disputed as companies progressively attempt to review it. Customer satisfaction can be experienced in a wide range of circumstances and linked with both products and solutions. It is a highly individual evaluation that is significantly affected by customer expectations. Satisfaction also is based on the client's encounter of both get in touch with the company and individual results. Some scientists determine a pleased client within the private industry as 'one who gets significant added value' to his/her bottom line- a meaning that may apply just as well to public services. Customer fulfillment varies with regards to the situation and the products or solutions.

1.1.2 Definition of customer satisfaction

Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product or service. The state of satisfaction depends on a number of both psychological and physical variables which co-relate with satisfaction behaviors such as return and recommend rate. The levels of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's product.

1.1.3 Limitations of customer satisfaction

- Expected versus delivered value is being measured – CSAT is not necessarily a measure of overall value or quality of the firm and its offering.
- High CSAT scores may be simply a reflection of low expectations of the firm.
- High CSAT scores may not deliver increased profitability (and may even have a negative financial impact – primarily due to the fir, over- delivering increased customer value)
- Existing customers will adjust their expectations to the value regularly being delivered, resulting in most customers being 'just satisfied' (reflected in average, not high, CSAT scores).
- More engaged and involved customers are more likely to participate in optional market research surveys, such as online surveys, potentially leading to an overestimation of CSAT levels.
- There are better measures available – for the aggregate of factors that customer satisfaction is suggested to address (which include of loyalty, customer profitability, likeability of the firm, word-of-mouth potential, and so on).

1.1.4 Determinants of Customer Satisfaction

- Product and service features
- Consumer emotions
- Attributions for service success or failure
- Perceptions of equity or fairness
- Other consumers, family members, and co-workers

1.1.5 Importance of Building Customer Satisfaction

- Customer-Oriented Management
- Comparison with the Competition
- Comparison Over Time
- Profit from Specific Insights
- Loyalty
- Reduced Costs
- Leads and Referrals

1.1.6 Tools for Customer Satisfaction

- Providing customer feedback forms.
- Asking about customer needs in general when customers call with problems.
- Training call-center staff to handle disputes uniformly and constructively.
- Responding directly to customer feedback.
- Demonstrating how the company listens to its customers.
- Encouraging a service culture throughout the organization.

1.2 OBJECTIVES OF THE STUDY

Primary Objective

- To study the present marketing system at IDBI Federal life insurance co.ltd.

Secondary Objectives

- To know the customer satisfaction level and their perception regarding banking services provided by IDBI Federal life insurance co. ltd.
- To know the preference of customer regarding the extra services.
- To know the problems of customer regarding banking services by the customers.
- To offer valuable suggestions to improve the customer satisfaction of banking services provided by IDBI Federal life insurance co. ltd.

1.3 SCOPE OF THE STUDY

The study can find the customer satisfaction level of IDBI Federal life insurance co.ltd. The study is also helpful to find the customer perception of IDBI Federal life insurance co. limited. It can be helpful to conduct further research by the company. To find out the effectiveness of the advertisement of the IDBI Federal life insurance co. limited. It also helpful to find the problem faced by the IDBI Federal life insurance co. Limited.

2.REVIEW OF LITERATURE

2.1 Theoretical Review

Customer satisfaction is a continuing challenge at work. Particularly in work environments that don't emphasize customer satisfaction as part of an embraced and supported overall business strategy, supervisors and managers walk tough road. On the other hand, they recognize their power in drawing forth the best employees have to offer; on the other, they feel unsupported, rewarded or recognized themselves for their work to develop motivated, contributing employees. Customer satisfaction is a constant challenge. What satisfaction one customer is not satisfaction for another. Research indicates that while treating customer nicely is a factor in motivation and happy employees are also a factor in customer satisfaction more is needed for a successful organization. After all, a workplace of happy employees is great. Factors such as demanding goals, success measurements, and critical feedback ensure the organization's success. Actively solicit information from the employees who report to you and your from co-workers about what motivate them. Customer knows what they find motivating and they can tell you if you ask. Following through on the information you are given is key as employees test you constantly to see if your word is

good. If asked, people expect to see something changed as a result of their response. If it doesn't change, and you don't tell them why, you risk wasting all of your efforts in satisfaction employees. Responding to employee needs and complaints is key in motivating employees. Customer at work is a choice employees make. No matter how hard managers try or how supportive company policies are, there is a bottom line for employees. Employees choose to exhibit customer behavior at work.

Customer satisfaction describes an intrinsic enthusiasm about and drives to accomplish work. Every customer is satisfaction about something in his or her life. Motivating employees about work is the combination of fulfilling the employee's needs and expectations from work and workplace factors that enable employee motivation or not. These variables make satisfaction customer challenging.

Information about satisfaction customer is readily available but it's hard to apply the ideas in many workplaces. Too many workplaces still act as if the employee should be grateful to have a job

Environment supportive of satisfaction customer don't have to be expensive. In fact, they don't have to cost money at all. They don't need to involve company financed events or company sponsored parties, gifts or monetary awards. Activities and recognition that cost satisfaction customer short term and will not over-ride the consequence of how people feel treated every day in the workplace. Actively solicit information from the employees who report to you and from your co-workers about what motivates them. Employees know what they find satisfaction and they can tell you if ask. Following through on the information you are given is key as customer test you constantly to see if your word is good. If asked, people expect to see something changed as a result of their response. If it doesn't change, and you don't tell them why, you risk wasting all your efforts in satisfaction customer. Responding to employee's needs and complaints is key in satisfaction customer. Motivation at work is a choice employees make. No matter how hard managers try or how supportive company policies are, there is a bottom line for satisfaction customer. Employees choose to exhibit satisfaction behavior at work.

2.2 Literature Review

Review of literature is a body of text that aims to review the critical points of current knowledge including substantive findings as well as theoretical and methodological contribution to a particular topic. Literature reviews are secondary sources, and as such, do not report any new or original experimental work.

Gomes, Asseiro, and Ribeiro (2013) what factors satisfaction customer when the organization is mired in a negative economic climate and how the satisfaction can be predicted (p. 41). Gomes, Asseiro, and Ribeiro (2013) used the "satisfaction Model's Taxonomy" (p. 44), one of which was Herzberg's two-factor theory to analyze the extrinsic and intrinsic factors (p. 44) of "110

Lockley (2012), on the other hand, addresses the same issue focusing on cross-cultural differences between employees in particular. Namely, culture can be explained as knowledge, pattern of behavior, values, norms and traditions shared by members of a specific group (Kreitner and Cassidy, 2012), and accordingly, cross-cultural differences is perceived to be a major obstruction in the way of successful customer satisfaction.

Llopis (2012) draws attention to the increasing relevance of the work-life balance problem for modern employees and stresses its negative impact on the level of employee satisfaction. Specifically, Llopis (2012) reasons that unless customer achieves an adequate level of work-life balance in personal level, management investment on the level of customer satisfaction can be wasted.

Grant and Gino (2010), concluded in their study "A Little Thanks Goes a Long way: Explaining why gratitude Expressions satisfaction Prosocial Behavior" that gratitude shown in the workplace can promote "prosocially" behavior the carries throughout the company. In that expressions of gratitude, not only experiences of gratitude, have spillover effects on prosocial behavior. As such, our research suggests the gratitude expressions may have important theoretical and practical implications for encouraging prosocial behaviors that promote cooperation...

Azoulay, Graff-Zivin, Manso (2010) professors at Massachusetts institute of Technology and University of California, Santa Barbara, published a paper titled "Incentives and creativity: Evidence from the Academic Life Sciences" indicating that long term rewards rather than short term rewards helped to satisfaction scientists in their work and to promote overall greater creativity. The application of this study suggests that short term rewards, that are common in many businesses, may truncate satisfaction and hinder innovation.

Thomas (2009) the main challenge of satisfaction in workplaces is identifying what satisfaction each individual customer taking into accounts his or her individual differences. In other words, individual differences have been specified by Thomas (2009) as the major obstruction for management in engaging in customer satisfaction in an effective manner.

Schoeffler (2005), a contributor to the insurance journal, explain that incentives should be in a three tier incentive scheme: recognition, short-term, and long term. The basic concept is to allow for incentives that will motivate different personality types. For example, some people enjoy immediate satisfaction and some enjoy satisfaction that is delayed but has taken time to build up. Recognition is a key role in motivating which is a non-financial incentive that reflects feedback.

Grant and Singh (2011), two management professors from The Wharton School of the University of Pennsylvania, argue that traditional incentive schemes (stock options and bonuses) are often beneficial for motivating and improving employee performance, but can have serious repercussions such as "unethical behavior, fuel turnover, and foster envy and discontent" Moreover, they further explain that financial incentives are best used with the following three guidelines: when tasks are algorithmic in nature and generally uninteresting, when the financial incentives are small, and they work in conjunction with major initiatives. They also point out three important elements, based on Daniel Pink's research, that the 16 workplace should

incorporate to raise productivity: autonomy (freedom of choice), mastery (skill & professional development), and purpose (meaning outside of the immediate work area)

3. ANALYSIS AND INTERPRETATION

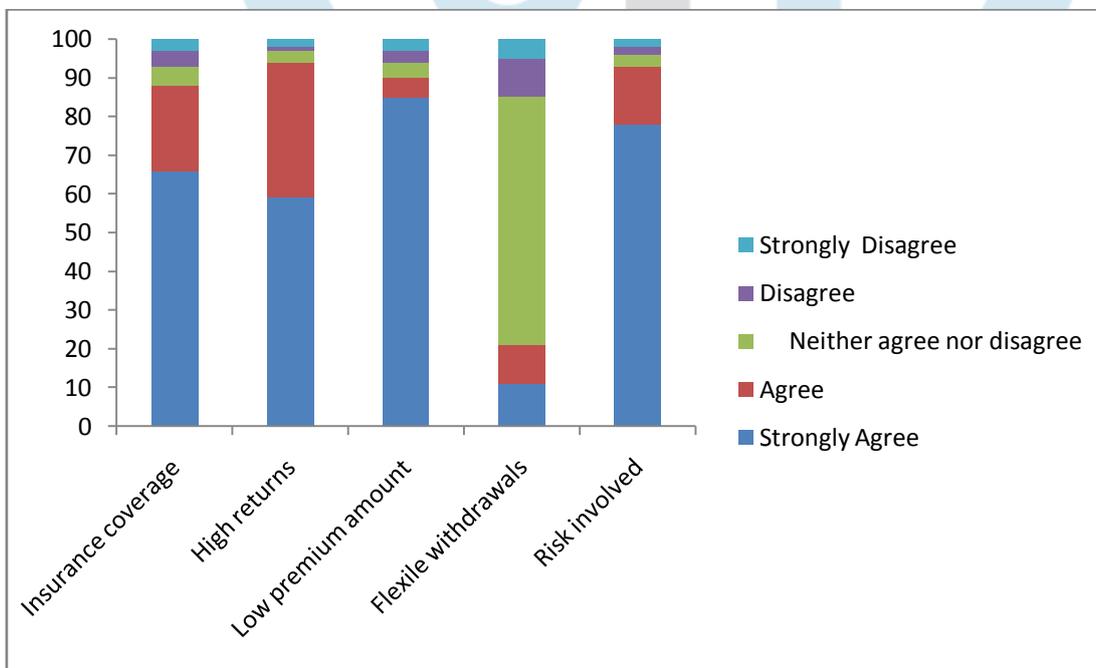
The data collected through the various sources was converted into readable form through the process of classification, arrangement and presentation of data. The data was tabulated and analyzed for logical statements using samples statistically method percentage analysis and weighted average method.

3.1 Features You Consider before Taking an Insurance Policy

	strongly agree	agree	Neither agree nor disagree	disagree	strongly disagree
Insurance coverage	66	2	5	2	
high returns	9	5			
low premium amount	5				
flexible withdrawals	1	0		4	0
risk involved	8	5			

Inference

The survey reveals that most of the customers are inclined towards low premium, high returns, insurance coverage, and less risk but on the other hand flexible withdrawals are not of such high concern.



4. FINDINGS

1. It is inferred from the table that 48% of the respondents were male and 52% of the respondents were female.
2. It is inferred from the table that 12% of the respondents were belong to the agegroup of above 45 year.
3. It is inferred from the table that 34% of the respondents were in the 1-5 Lakh income group.
4. It is inferred from the table that 33% of the respondents were preferred to save 10-15 Lakh.
5. It is inferred from the table that 34% of the respondents were making investment for the purpose of return.

6. It is inferred from the table that 100% of the respondents have Life Insurance.
7. It is inferred from the table that 37% of the respondents were policy holders of insurance and 30% of the respondents have IDBI life insurance.
8. It is inferred from the table that 40% of the respondents have open for insurance in the respective companies for the purpose of return.
9. It is inferred from the table that 40% of the respondents have invested money in Child Plan.
10. It is inferred from the table that 77% of the respondents were interested to take the life insurance.
11. It is inferred from the table that 46% of the respondents were preferred to take policy of IDBI Life and 29% of them willing to take Insurance.
12. It is inferred from the table that 15% of the respondents interested in Investment Plan and 85% of them like to invest in saving plan.
13. It is inferred from the table that 135% of the respondents were agree the IDBI federal as reliable and trustworthy.

5. SUGGESTIONS

- The income group 1 to 5 lakh is more interested in investment in insurance. It is suggested that while marketing this segment be considered.
- Since Return is the main expectation of investors, it is recommended that this aspect be reinforced while wooing prospective investors to IDBI Life Insurance.
- Only few Respondents have planned to go for private life insurance, so the schemes and advantage of IDBI Life must be promoted greatly.
- The awareness of insurance is most and other private insurance companies remains untapped. It is suggested that an attempt be made to bring out the advantages of other IDBILife schemes.
- The respondents were only partially aware of Market Linked schemes. Since most of the respondents prefer return as their investment option steps should be taken to explain about the advantages of Market linked plans of IDBI Life Insurance.
- Since most of the respondents prefer only certain schemes, all the other schemes available in IDBI Life should be promoted and the insurers must be updated on the highlights of the schemes.
- With regard to IDBILife the factors Bonus provided and Insurance availing facility are not satisfactory to the customers. So it is recommended that to the company that they have pay more attention to these factors.

6. CONCLUSION

The overall project has helped me learn a lot which is not there in books. The practicality of the subject is totally seen in the real sense. I thank IDBI FEDERAL LIFE INSURANCE COMPANY LTD., for providing this opportunity to me as a summer intern and to show me the path of knowledge and experience, which will help me to succeed in the career and excel into bright future.

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