

A STUDY ON CUSTOMERS SATISFACTION TOWARDS PRIVATE BANKS WITH REFERENCE TO COIMBATORE CITY

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ABSTRACT

This study aims to examine customer satisfaction towards private banks in Coimbatore city, with a focus on evaluating key factors influencing service quality and customer relationships. The research investigates the level of satisfaction experienced by customers, particularly regarding the quality of services provided by private banks. Furthermore, the study assesses the impact of service quality on the overall customer-bank relationship, identifying how various aspects of banking services affect customer perceptions and loyalty. Another key objective is to explore the communication strategies employed by private banks to interact with their customers, analyzing the effectiveness of these methods in fostering strong customer connections. The findings of this study will offer insights for private banks to enhance their service delivery and customer engagement strategies, thereby contributing to improved customer satisfaction and long-term loyalty.

Keywords : Customer Satisfaction – Private Banks – Customer Relationship – Coimbatore

INTRODUCTION

Customer satisfaction plays a crucial role in the success of any organization, especially in the competitive financial services sector. In the context of private banking, understanding the factors that influence customer satisfaction is essential for maintaining a strong customer base and fostering long-term loyalty. Private banks, with their wide range of services and innovations, have significantly transformed the banking landscape in India. Coimbatore, a bustling city in Tamil Nadu, has witnessed substantial growth in the number of private banking institutions, providing a variety of services to meet the diverse needs of its customers.

This study focuses on customer satisfaction within private banks in Coimbatore, aiming to analyze the level of satisfaction with banking services, assess the impact of service quality on customer relationships, and explore the communication methods used by banks to engage with their clientele. In a highly competitive environment, where customers have access to numerous banking options, the effectiveness of communication and the quality of service offered are vital in shaping customer perceptions.

By investigating these aspects, the study seeks to provide valuable insights into how private banks can enhance their service offerings, strengthen customer relationships, and improve overall satisfaction. The research intends to offer recommendations that can help private banks in Coimbatore improve their strategies and achieve better customer retention and satisfaction rates.

OBJECTIVES

1. To analyses the level of customer satisfaction with private bank service.
2. To assess the impact of service quality on customer relationship in private banks.
3. To explore how private banks communicate with customers and its effectiveness.

REVIEW OF LITURATURE

- Khan et al. (2016) examined the relationship between service quality dimensions and customer satisfaction in Indian private banks, revealing that factors such as convenience, responsiveness, and personalized services are critical in determining customer satisfaction.
- Singh and Arora (2018) explored the impact of digital banking services on customer satisfaction, finding that features like online banking platforms and mobile apps significantly improve customer convenience and overall satisfaction in private banks.
- Rai and Yadav (2017) analyzed the role of customer relationship management (CRM) practices in private banks, concluding that personalized interactions and efficient problem resolution are essential in building strong customer satisfaction and loyalty.
- Kumar and Rani (2019) studied the impact of employee engagement on customer satisfaction in private banks, finding that engaged employees who deliver exceptional service lead to higher levels of customer satisfaction and loyalty.

RESEARCH METHODOLOGY

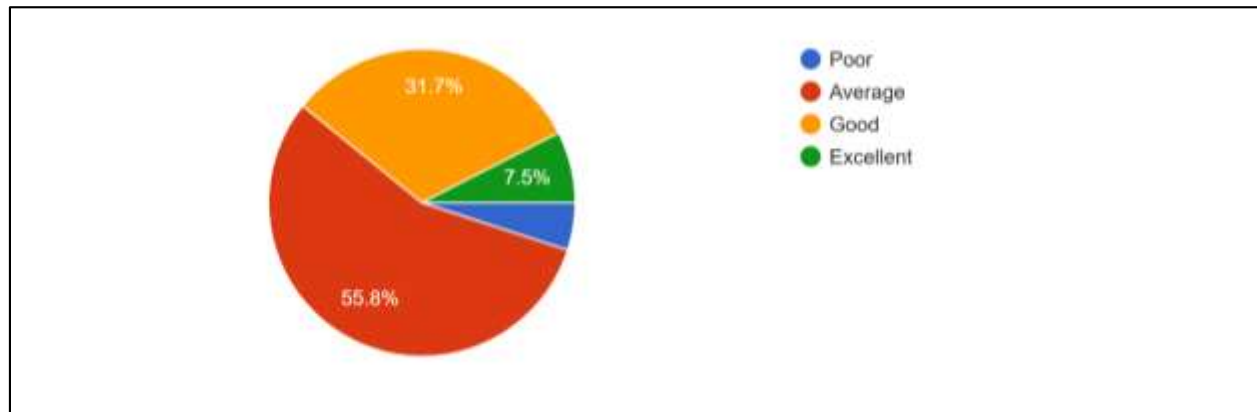
This study adopts a descriptive research design to examine customer satisfaction towards private banks in Coimbatore. Primary data will be collected through a structured questionnaire distributed to a sample of bank customers, utilizing a simple random sampling technique. The questionnaire will assess customer satisfaction, service quality, and communication effectiveness. Secondary data will be gathered from relevant literature, reports, and bank websites. Data analysis will be performed using statistical methods such as percentage analysis and correlation to interpret the findings. The research will provide insights into the factors influencing customer satisfaction in private banking.

STATEMENT OF PROBLEM

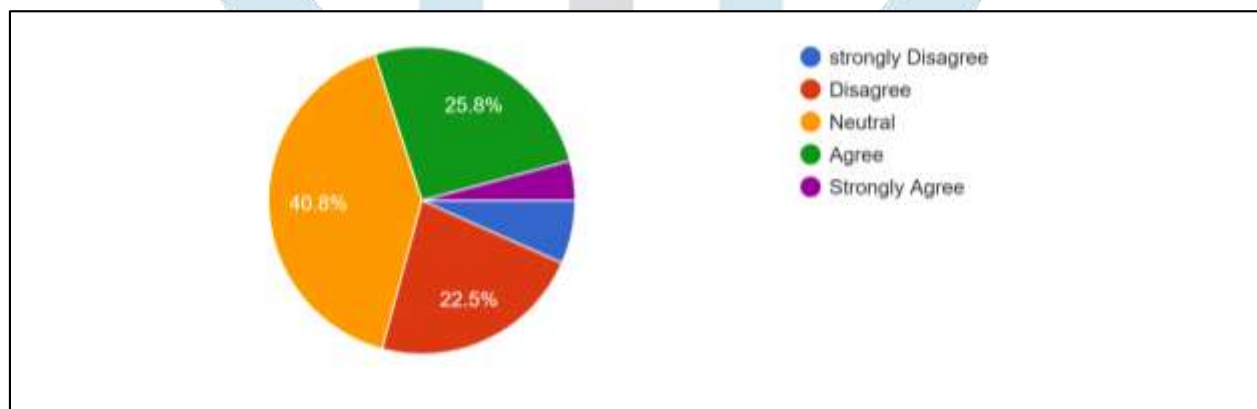
With the increasing competition among private banks in Coimbatore, understanding customer satisfaction has become crucial for sustaining growth and loyalty. Despite the availability of diverse banking services, there is limited research on how service quality, communication strategies, and customer relationships influence satisfaction levels in private banks. This study aims to address the gap by analyzing the factors that impact customer satisfaction and providing insights into how private banks can enhance their services to meet customer expectations more effectively.

RESEARCH GAP

While numerous studies have explored customer satisfaction in the banking sector, limited research has focused specifically on private banks in Coimbatore, a city with a growing banking sector. Moreover, there is a gap in understanding how service quality, communication strategies, and customer relationships directly influence customer satisfaction in this context. Previous studies have largely concentrated on broader or national perspectives, leaving a need for localized research that addresses the unique challenges and customer expectations within private banks in Coimbatore.

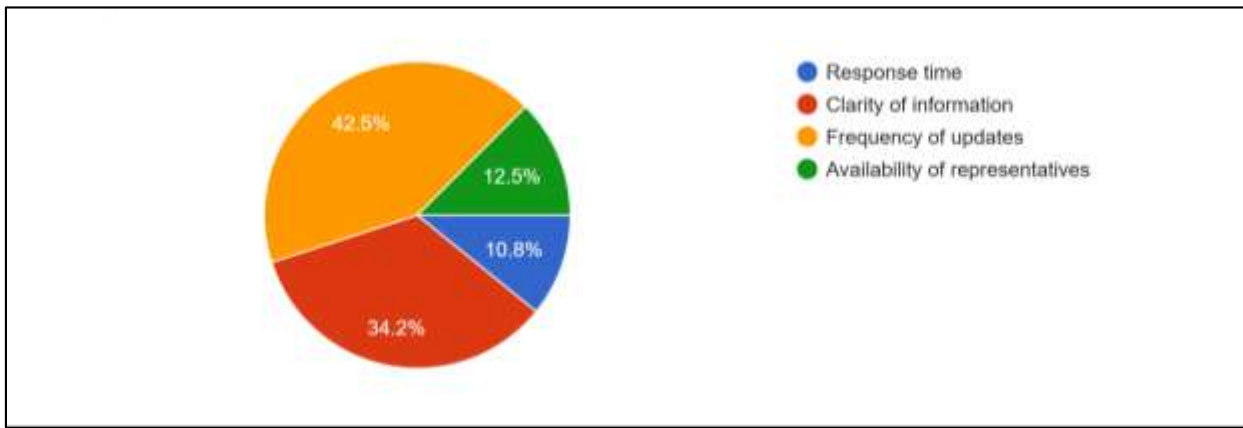
ANALYSIS INTERPRETATION**RATE OF EFFECTIVITY OF BANKING SERVICE****INTERPRETATION:**

From the above table, it is inferred that 5% of the respondents rate it as poor, 56 % of the respondents rate it as average, 31% of the respondents rate it as good, 8% of the respondents rate it as excellent.

BANK STAFF BEHAVIOUR**INTERPRETATION:**

From the above table, it is inferred that 7% of the respondents strongly disagree that bank staff are polite and helpful in resolving issue, 23% of the respondents disagree that bank staff are polite and helpful in resolving issue, 40% of the respondents stay neutral that bank staff are polite and helpful in resolving issue, 26% of the respondents agree that bank staff are polite and helpful in resolving issue, 4% of the respondents strongly agree that bank staff are polite and helpful in resolving issue.

IMPROVEMENT IN COMMUNICATION



INTERPRETATION:

From the above table, it is inferred that 11% of the respondents think response time needs improvement, 34% of the respondents think clarity of information needs improvement, 43% of the respondents think frequency of updates needs improvement, 12% of the respondents think availability of representatives needs improvement

FINDINGS

- ❖ Maximum 56% of the respondents rate it as average.
- ❖ Maximum 40% the respondents neutral that bank staff are polite and helpful in resolving issue.
- ❖ Maximum that 58 % of the respondents have used services from multiple private banks for comparison.

SUGGESTION

Analyzing the role of technological advancements in customer satisfaction, including mobile banking apps, online services, and digital payment solutions, and how they affect the overall customer experience.

Comparing customer satisfaction across various private banks in Coimbatore, identifying the strengths and weaknesses of each, and providing insights on which banks are leading in customer satisfaction.

CONCLUSION

The study on customer satisfaction towards private banks in Coimbatore City provides valuable insights into the banking preferences and expectations of customers. It highlights that factors such as service quality, digital banking facilities, customer responsiveness, convenience, and trust play a crucial role in shaping customer perceptions. The increasing reliance on private banks is largely driven by their efficient services, innovative banking technologies, and customer-friendly approaches. Many customers appreciate the ease of access to online and mobile banking, faster transactions, and personalized financial assistance. However, the study also identifies certain challenges that impact overall customer satisfaction, including high service charges, lengthy loan processing times, and issues related to grievance redressal.