



A COMPARATIVE STUDY OF BANKING SERVICES AND CUSTOMER SATISFACTION IN PUBLIC, PRIVATE AND COOPERATIVE BANKS

N.Amuthan

Associate Professor, Department of Commerce, A.G.Government Arts College, Tindivanam, Tamil Nadu.

ABSTRACT

The banking system is facing challenges with stiff competition and advancement of technology. It becomes imperative for all service providers to meet or exceed the target customers' satisfaction with quality of services expected by them. Hence the present research is attempted to study customers' perception of quality of services, both transaction based and IT enabled in terms of its constituent factors in public sector, private sector and cooperative banks. Also through the present study, we would gauge the extent of IT adoption in public sector, private sector and cooperative banks in this electronic age. The present investigation is planned with the objective to assess the extent of use of services especially the IT enabled services in these banks and to analyze the constituent factors affecting customer satisfaction with the quality of services.

The present study was conducted in public sector, private sector and cooperative banks of Villupuram district of Tamil Nadu. Multistage random sampling was used for selection of samples. The study was proposed to be conducted in eight taluks of Villupuram district. One branch of above banks in each taluk of Villupuram taluk was selected randomly. While selecting the branch, care was taken to see that the branch should provide at least five IT enabled services. This step was followed to have interbank comparison. The study has revealed that the customers of nationalized banks and cooperative banks were not satisfied with the employees' behaviour and infrastructure, while respondents of private sector banks were not satisfied with high charges, accessibility and communication.

Keywords: *Transaction Based Banking Services, IT Enabled Banking Services, Customer Satisfaction, Service Quality.*

1.INTRODUCTION

Banks play a role of considerable economic significance as intermediaries in mobilizing public savings and canalizing the flow of funds for productive purposes, keeping on the process of the economic growth of the country. Realizing the importance of the role of the banks in economic development, Government of India, Reserve Bank of India took several major initiatives after the country attained independence to gear the banking system to serve the national objective.

One of the most momentous of such initiatives was the substitution of private ownership by public ownership, through the medium of an ordinance of the 14 largest commercial banks in the private sector on 19th July 1969. This has popularly come to be known as nationalization of these banks without which it would not have been possible to transform the class banking into mass banking and align bank credit to serve the planned priorities and social needs. Branch expansion programme formulated by the Reserve Bank of India aimed at making available necessary banking facilities in all parts of the country specially the unbanked rural and semi-urban areas. This was perceived as essential for implementation of project for rural development and upliftment of economically weaker sections and also spreading the banking habit even in the remote areas of the country.

Banks assisted in the rehabilitation of sickly weak industrial units and in the prevention of unemployment, which would result from the closure of industrial units for want of credit measures thus mentioned substantially contributed to the canalizing of the bank credit to the various sectors of the economy which involved inter alia, flow of credit to sectors, which were hitherto neglected or the so called priority sectors.

An efficient financial sector is an engine for economic growth. It converts the fuel of savings into kinetic energy for the economy. The banking industry which is at the core of the financial sector must take the lead. The reform

process started in the early 90s has given the industry a great opportunity. Not only must the sector become more efficient it must also identify sectors having growth opportunities and devise strategies to move savings into these sectors.

1.1 Current Scenario

Currently, the overall banking in India is considered as fairly mature in terms of supply, product range and reach even though reach in rural India still remains a challenge for the private sector banks. Well computerized private sector banks are beginning to compete seriously with the nationalized banks. They aim at a profitable and wealthy part of the market and, in contrast to the nationalized banks, do not recognize any social responsibilities to small account holders or to a rural and semi-urban clientele. Almost 80% of the business is still controlled by Public Sector Banks (PSBs). PSBs are still dominating the commercial banking system.

The banking system is facing the challenges with stiff competition and advancement of technology, the services provided by banks have become more easy and convenient. The competitive character has been promoted by facilitating the entry of foreign banks. The country is flooded with foreign banks and their ATM stations. Efforts are being put to give a satisfactory service to customers. Phone banking and net banking are introduced. The entire system has become more convenient and swift. Time is given more importance than money.

1.2 Banking Services

With years, banks are adding services to their customers. The Indian banking industry is passing through a phase of customers market. The customers have more choices in choosing their banks. A competition has been established within the banks operating in India.

The new age IT (Information Technology) is bringing about sweeping changes in the banking industry, forcing them to re-engineer many of their basic processes and systems. Few of the technology-driven electronic banking services being offered are viz. Automated Teller Machines, Electronic Clearing Service, Electronic Funds Transfer, tele-banking, internet banking etc. New technological capabilities could be effectively used to create value and to better manage customer relationship.

Reddy (2001) stated “Banks are at different stages of technology adoption partly due to their different legacies, as much as the differences in their strategic approaches to computerization and technology absorption”.

The foreign banks are ahead in offering better banking services and products, coupled with smart use of IT adoption and have considerably achieved high operational efficiency (RBI 2001).

Vyas P (2004) concluded that there was effective implementation of e-banking services in case of private banks and foreign banks, whereas, nationalized banks were found to have lesser degree of computerization.

Dr. Rangarajan, the former Deputy Governor, Reserve Bank of India, says “Indian banks have to conform to international accounting standards, if Indian banks are to get their due place and recognition in the global financial market” (Janakiraman 1994).

1.3 Banking Technology

Financial reforms had its impact on Indian banks and financial institutions. In the fast changing financial environment, fierce competition and changes in the regulatory policies created uncertainty and risk for the Indian banking industry. Realizing this fact, academicians and practitioners highlighted in their studies that information source in banks is of capital importance and they look at information technology as strategic response to changing financial environmental challenges. (Ammayya 1996). The Rangarajan Committee Report (1989) was the first path breaking step in this direction, which highlighted that computerization must be looked upon as a means to improve customer service and efficiency and that the banks' workforce should realize that mechanization would lead to growth and employment expansion (Bide 1997). Subsequently, Narasimham Committee (1992), while

highlighting the problems faced by Indian public sector banks, and, as an antidote to the identified lacunae, also stressed the need for greater measure of computerization in banks. The committee observed that modern banking involves a great deal of processing of mass of information and commitment to technology is the only solution that ensures timeliness, accuracy and resultant improved performance and enhanced customer service (Bide 1997). On similar lines, several academicians and practitioners argued that technology in banks would help to increase the level of productivity and customer satisfaction (Girish and Preetha 1997). To meet the challenges posed by the entry of foreign banks, Indian banks will have to invest heavily in technology to meet competition, reduce cost, improve customer service, improve productivity and offer new products/services.

Technology in service organizations is important for success. Some Scholars have studied technology in service organizations from different perspectives. Harsh (1993) studied beneficial aspects of technology and identified five major benefits of technology to a service organization. First, the equipment could be employed in place of work force. Such substitution of equipment and machines for labour reduces cost of operation and increases efficiency. Second, introduction of technology may help to achieve standardization in the quality of service. Third, higher service levels could be achieved by such blending of technology. Fourth, service organizations can maintain close links with their customers by hooking up in the computer networks, such technologies permit one firm to link itself with the information system of the other and, thereby, be in touch. Finally, technology may be useful in directing employees' behaviour and enhancing status and motivation.

Ammayya (1996), along with Godse (1997), while appreciating the introduction information technology in banks, stressed on training needs of people who play crucial role in turning the hardware and software and networking tools into a powerful combination to aid the bank in improving the service quality and performance. Salma (1998) studied technological reforms in the banking sector. The emphasis on technology as the key factor for improving performance and increasing productivity in banks has been well exemplified by her through illustrations. Most Indian banks, mainly private ones, are hastening to interconnect their countrywide branches (Aishah 1997). Keeping on the lines of promoting speed, SBI has introduced Electronic Fund Transfer Systems (EFTS) in thirteen branches in sixteen cities in two schemes. State Bank Instant Remittance (SBIR) and State Bank Rapid Remittance (SBRR) when remittances are made the same and the next day respectively (Shanker 1995).

Many authors, while studying customer service and bank marketing, have observed that the need for computerization/bank automation has arisen because customers expect their cheques to be encashed within a reasonable time, prompt realization of clearing cheques, a quick transfer of funds and timely receipt of correct statements of their accounts etc. (Chidambaram and Alamelu 1996). All this can be possible if banks are automated.

1.4 Customers' Satisfaction

A customer can be defined as a user or potential user of banking services. A customer would include an account holder, or his representative, or a person carrying out casual business transactions with a bank, or a person who, on his own initiative, may come within the banking fold (Talwar Committee Report 1976).

The efficiency of a banking sector depends upon how best it can deliver services to its target customers. In order to survive in this competitive environment and provide continual customer satisfaction, the providers of banking services are now required to continually improve the quality of services. The globalization of Indian economy has truly called for much more disciplined approach on the part of Indian Banking sector to improve the overall quality of customer services through smart use, absorption and adoption of flexible and appropriate information technology.

It is seen that 5% increase in customer retention can increase profitability by 35% in banking business. 50% in insurance and brokerage, and 125% in the consumer credit card market. Therefore, banks are now stressing on retaining customers and increasing market share (Chothani et al. 2004).

A favorable climate for excellent service manifests itself in employee behavior, for example, being attentive to customers, speaking favorably about the organization and its services. With frequent employee-customer contact, customers are more often exposed to such positive behaviors, which in turn, affect customer satisfaction.

To sum up, the adoption of technology in banks is increasing with the growing use of Internet, electronic commerce, and various other banking innovations. Evolution of technology in banks is taking place at an enormous pace and it is only question of time before banks commit themselves on full-scale technology up gradation, aiding their growth and adding their competitive features. The computer and the communication age is opening up a flood of new opportunities that are redefining the very concept of traditional banking. It is for the individual banks to reinvest themselves and reconfigure their business processes and practices in tune with the growing customer expectations in an ever increasing competitive environment. There is no way, a bank can remain lukewarm to new technology products and yet hope to grow because it is a choice of survival of extinction.

In such a competitive environment, financial institutions are forced to examine their performance because their survival in the dynamic economies of the coming years will be dependent upon their overall efficiencies. In response, banking firms have been trying to adopt and to adjust themselves to improve their efficiencies in the changing social and economic environment. The efficiency of banking sector depends upon how best it can deliver services to its target customers or how far the expectations of customers are met. Any service to be provided to the customers can be differentiated by the service providers from the rest of the service providers if it possess some unique selling proposition. The customers compare the perceived service with the expected service. The customer perceives the service quality to be high if it is perfect on his expectation. This perception leads to customer satisfaction with the related service. In the present time, customer satisfaction is an interesting and dynamic concept. It is a concept, which varies from time to time. What is considered as “good” customer services today may be termed “bad” tomorrow. IT strategies therefore, need to be in proper consonance with bank’s marketing strategies. Customers are now demanding an individualistic and are no longer willing to accept delay in transactions. A customer centric view has replaced the earlier product centric view.

Therefore, it becomes imperative for service providers to meet or exceed the target customers’ satisfaction with quality of services expected by them. Hence, the present research will attempt to study customers’ perception of quality of services, both transaction based and IT enabled in terms of its constituent factors in public sector, private sector and cooperative banks. Also, the present study attempts to identify lacunae, if any, that exists which might hamper good customer service and in turn, affects customer satisfaction. Also through the present study, we would gauge the extent of IT adoption in public sector, private sector and cooperative banks, in this electronic age.

1.5 Objectives of the Study

Following objectives are planned in the present investigation:

1. To assess various aspects of services provided by the public sector, private sector and cooperative banks.
2. To assess the extent of use of services especially the IT enabled services in these banks.
3. To determine and compare the extent of customer’s satisfaction with quality of banking services on the basis of different constituent factors.

2. RESEARCH METHODOLOGY

Research methodology deals with a systematic and scientific methods that can be adopted to solve research problems. Methodology is a crucial step in any research because it directly influences the whole research and its findings. The present study will be carried out to gain an insight into the customer satisfaction level with the quality of services provided by public sector, private sector and cooperative banks.

2.1 Research Questions: What are the major factors affecting customers’ satisfaction with the quality of services? What is the level of customer satisfaction with the quality of services provided by public sector, private

sector and cooperative banks? Do customers switch over to the IT adoption in public sector banks and to which extent.

2.2 Research Design

Descriptive research design was chosen to find out various services provided by public sector, private sector and cooperative banks, the extent of adoption of IT enabled services among customers provided by banks.

2.3 Selection of Location and Sample

The present study was conducted in public sector, private sector and cooperative banks in Villupuram District of Tamil Nadu. Multistage random sampling was used for selection of sample.

Firstly, a list of top 20 banks in India was made. A scrutiny of this list of all the three categories that is, public sector, private sector and cooperative banks was done. Thereafter, 10 percent of total number of banks was selected in each category in each taluk having the maximum number of branches. Hence, two banks (State Bank of India and Indian Bank) among public sector banks, two banks (ICICI Bank and Lakshmi Vilas Bank) among private sector banks and one bank (Villupuram Central Cooperative Bank) among Cooperative Banks were selected for the study. This step was followed to have Inter Bank comparison.

The study was proposed to be conducted in eight taluks of Villupuram district of Tamil Nadu. One branch of the above banks in each taluk was selected randomly. While selecting the branch, care was taken to see that branch should provide at least 5 IT enable service.

After identification of branches in each taluk, the researcher visited all branches. It was planned to select to select 10 customers randomly from each branch making a total of 400 customers as sample for the three types of banks by making personal visit to the respective branches of banks.

2.4 Selection of Tools for Data Collection

Selection of appropriate instrument or technique is an important criterion in research methodology. The tools would comprise of the following,

A. Interview Schedule for Customers

An Interview schedule was used for collecting base line data of customers, extent to which they adopt IT enabled banking services provided by public sector, private sector and cooperative banks. The interview schedule was based on the following subheadings:

- ❖ Different aspects of banking services used by customers.
- ❖ Extent of using IT enabled services.
- ❖ Customer satisfaction with quality of services.
- ❖ Suggestions of customers for improving banking services.

3. RESULT AND DISCUSSION

3.1 Different Banking Services Availed by Customers

All the respondents in each bank were availing facility of cheque deposit and cheque clearing. Table 1 show that 40 per cent of respondents in SBI are availing Locker facility. Only 20 per cent of respondents have availed Loan facility from SBI. About 50 per cent of SBI customers transfer their money through Electronic Transfer facility (CBS). Only 10 per cent of customers in SBI are getting Cash credit facility. Whereas, 90 per cent of respondents of SBI deposit and clear their cheques is remarkable. About 80 per cent of SBI customers get demand draft from their branches. Only 30 per cent of SBI customers make term deposit with their branches.

Table 1 reveals that in Indian Bank, only about 30 per cent of their customers are availing Locker facility and Loan facilities. About 50 per cent of IB customers remit their funds through Electronic banking (CBS).

Table 1, Distribution of Bank customers by availing different services of bank

Services	SBI		IB		ICICI		LVB		VCCB	
	(n=80)	%	(n=80)	%	(n=80)	%	(n=80)	%	(n=80)	%
Locker	32	40	24	30	-	-	16	20	8	10
Traveler cheques	-	-	-	-	-	-	-	-	-	-
Loan	16	20	24	30	40	50	8	10	24	30
Electronic transfer	40	50	40	50	16	20	8	10	-	-
Cash Credit	8	10	8	10	-	-	-	-	-	-
Gift cheques	-	-	-	-	-	-	-	-	-	-
Cheque deposit & clearing	72	90	64	80	56	70	48	60	40	50
Demand Draft	64	80	56	70	32	40	-	-	24	30
Term deposit	24	30	24	30	-	-	-	-	8	10
Cheque clearing status enquiry	-	-	-	-	-	-	-	-	-	-
Stop payment facility of cheque	-	-	-	-	-	-	-	-	-	-

Cash credit is availed only to the extent of 10 per cent of IB respondents. On the contrary, 80 per cent of customers of IB present and clear their cheques through their SB accounts are commendable. About 70 per cent of IB respondents use their branches to get Demand drafts. Only 30 per cent of IB customers convert part of their ordinary SB accounts into FD accounts.

Table 1 also shows that under private sector banks, in ICICI Bank, more than 50 per cent of respondents have availed loan from their branches which is worth noting and only 20 per cent of their respondents avail electronic transfer of funds in ICICI. About 70 per cent of ICICI bank customers realize their cheques through their SB accounts. Only 40 per cent of ICICI customers avail their branches for Demand draft purpose. The study reveals that no other facility like locker, cash credit, term deposit etc, was used by any respondent of ICICI bank.

Table 1 exhibits that in Laksmi Vilas Bank, about 20 per cent of respondents have availed locker facility. Only 10 per cent each of their customers make use of loan facility and electronic transfer of funds. About 60 per cent of respondents in Laksmi Vilas Bank deposit and collect their cheques through their SB accounts. The study has revealed that no other service was used significantly by the respondents of Laksmi Vilas Bank.

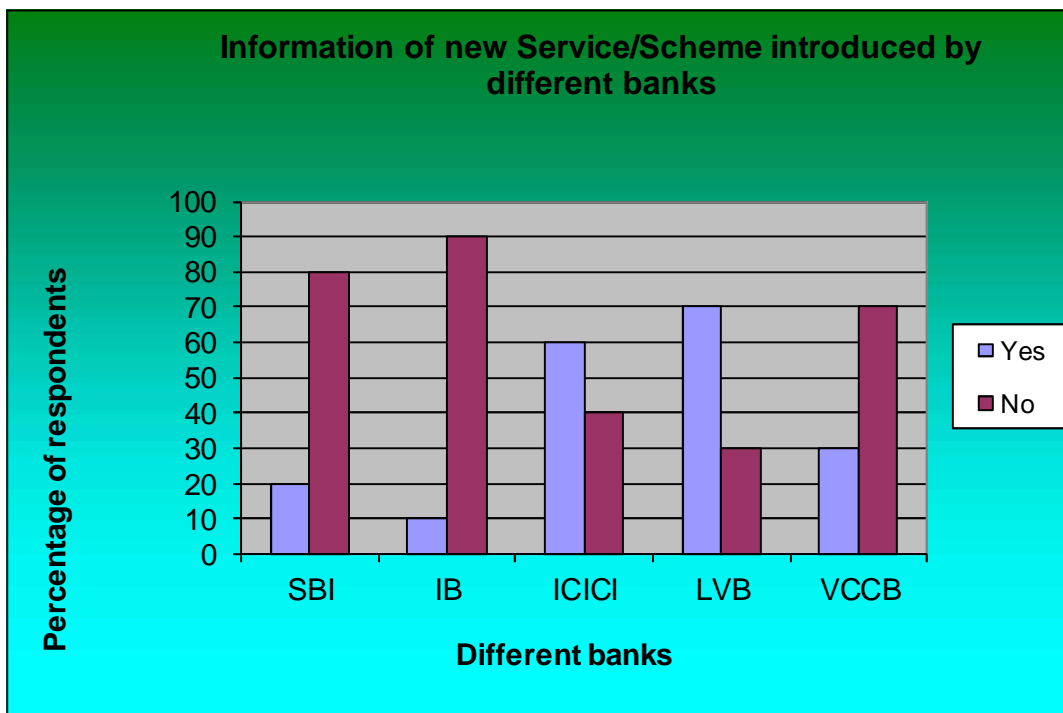
Table 1 also reveals that under Cooperative sector, only 10 per cent of VCCB bank customers have availed locker facility. Whereas, 30 per cent of respondents of VCCB have taken loan from their bank. About 50 per cent of respondents of VCCB make use of cheque deposit and clearance facility of their branches. Only 30 per cent of customers avail their cooperative bank for obtaining Demand drafts. Only about 10 per cent of respondents of VCCB have made Term deposit with their bank. No other banking service has been significantly used by the customers of VCC Bank.

To conclude, the interbank comparison among different sector banks shows that customers prefer to uses Locker facility in public sector bank than private sector and cooperative banks. Not even a single respondent is using traveler cheque facility in any bank nowadays. In respect of Loan facility, customers like private sector and cooperative banks as they process and disburse loans fast than public sector banks which take more time to sanction loan proposals. Regarding Electronic transfer of funds, customers go to public sector banks than private and cooperative sector banks as they think it is faster and safer to transfer funds through public sector banks. As regards Cash credit facility, while customers of public sector banks have availed to a very little extent, customers of private and cooperative sector banks are not even aware of this facility.

Table 1 also shows that Gift cheque facility is not used by any customer in any bank these days. The study shows that Cheque deposit and clearing facility is availed by majority of customers in almost all banks including private sector and cooperative sector banks. The study shows that Demand Drafts are mostly issued by public sector banks since customers feel that DDs issued by public sector banks are comparatively cheaper, more acceptable and easy to obtain than private and cooperative sector banks. With regard to Term deposit, customers prefer to fix their deposit with public sector banks than private sector and cooperative banks even though public sector banks offer comparatively lower interest on Term deposit. As regards cheque clearing status enquiry and stop payment facility of cheque, the study reveals that no customer in any bank of any sector has availed these facilities and many customers are not even aware of these facilities.

3.2 Different Sources of Information about Any New Service/Scheme Introduced by Banks

The investigator tried to probe whether the bank informed the customers about any new scheme/service launched by the bank. It is evident from Figure 1 given below that nationalized banks and cooperative banks did not inform customers about any new service introduced by the bank. On the other hand, private sector banks informed their customers of any new services introduced by the bank.



The analysis of data shows that only 20 per cent and 10 percent respondents of SBI and IB respectively answered positively to be informed by the bank about any new service or scheme. Similarly, only about 30 percent respondents were informed by the Villupuram Central Cooperative Bank. On the other hand, ICICI Bank and Lakshmi Vilas Bank informed majority of the respondents, that is, 60 per cent and 70 per cent respectively about new service/scheme introduced by the bank. The reason behind not informing customers about new service/scheme would be poor communication and customer service of nationalized banks and cooperative banks. On the basis of above analysis it is found out that the private sector banks have good communication with their customers.

3.3 Information about availing Loan by customers

The results presented in table 2 reveal that only 48 respondents have availed different types of loan from SBI which works out to 60% of total respondents selected for study. In Indian Bank 65% of respondents i.e. 52 persons have taken different kinds of loans. In Villupuram Central Cooperative Bank, as high as 90 per cent

Table 2: Distribution of bank customers by availing loan from banks

Type of loan	SBI		IB		ICICI		LVB		VCCB	
	n=80	%	n=80	%	n=80	%	n=80	%	n=80	%
Car loan	8	10	8	10	-	-	-	-	-	-
Property loan	-	-	8	10	8	10	8	10	16	20
Two wheeler loan	-	-	-	-	-	-	-	-	-	-
Home loan	8	10	8	10	-	-	-	-	-	-
Personal loan	8	10	8	10	16	20	12	15	-	-
Jewel loan	16	20	12	15	-	-	-	-	24	30
Other	8	10	8	10	-	-	-	-	32	40
Total	48	60	52	65	24	30	20	25	72	90

of respondents, i.e.72 customers have availed few kinds of loan. Majority of them have availed jewel loan and different kinds of agricultural loan. This shows that borrowers go to cooperative banks both in urban and rural areas as the objective of those banks is to lend more for agricultural purpose at comparatively cheaper rates of interest than private sector and public sector banks. Whereas, in ICICI and LVB, only 30 per cent and 25 per cent of respondents respectively have taken few kinds of loans. Thus the findings are pointed to the fact the customers nowadays avoid private sector banks for their higher interest rates and penal charges on loans and advances. On the other hand, the borrowers these days prefer public sector and cooperative banks for capital subsidy, interest subvention, loan write off, etc.

3.4. Customers' Opinion on Charges Levied by different Banks for Different services

The investigator tried to know customers' point of view on charges levied by different banks for different services. The results of the present investigation as given in Table 3 highlighting the fact that customers of nationalized banks and cooperative banks found the charges normal levied by those banks for different services. On the other hand, private sector banks' customers found the above charges high.

Table 3: Distribution of bank customers by their opinion on charges levied by different banks for different charges.

Services	SBI		IB		ICICI		LVB		VCCB	
	n=80	%	n=80	%	n=80	%	n=80	%	n=80	%
High charges	8	10	16	20	64	80	56	70	32	40
Normal charges	72	90	64	80	16	20	24	30	48	60
Total	80	100	80	100	80	100	80	100	80	100

The reason of the above results would be the difference of charges in different types of banks. The charges levied by the bank on different services are higher in private sector banks as compared to nationalized banks and cooperative banks.

3.5 Different IT enabled services used by Customers

An attempt was made to scrutinize different IT enabled services used by customers. Analysis of results reveal that no customer was using three services, that is, online tax accounting system, foreign exchange conversion system and Real Time Gross Settlement System (RTGS). ATM was the most common IT enabled service among customers of every bank. Customer of nationalized banks nowadays are using comparatively more IT enabled services as compared to private and cooperative banks.

Table 4 shows that about 90 per cent of SBI respondents are using ATM services. Between 60 and 80 per cent of SBI customers use EFT and ECS services. About 30 per cent of SBI customers avail centralized banking

services. Other services like Utility payment, IVRS, Credit and debit card and online tax accounting are used by SBI customers who vary between 10 to 20 per cent. Not even single respondent is using either FECS or RTGS in SBI.

Table 4: Distribution of bank customers by using IT enabled services

IT Enabled Service	SBI		IB		ICICI		LVB		VCCB	
	n=80	%	n=80	%	n=80	%	n=80	%	n=80	%
Electronic clearing services	64	80	48	60	24	30	16	20	-	-
Electronic fund transfer	48	60	40	50	32	40	24	30	16	20
Utility payment services	16	20	8	10	-	-	-	-	-	-
Interactive voice response system	8	10	-	-	-	-	-	-	-	-
Credit card and debit card	16	20	8	10	16	20	24	30	-	-
ATM	72	90	64	80	32	40	24	30	-	-
Internet banking	-	-	-	-	8	10	-	-	-	-
Core Banking	24	30	32	40	24	30	8	10	16	20
Online tax accounting	8	10	-	-	-	-	-	-	-	-
Foreign exchange conversion	-	-	-	-	-	-	-	-	-	-
RTGS	-	-	-	-	-	-	-	-	-	-

Table 4 also shows that in Indian Bank, 80 per cent of the respondents utilize ATM services. Between 50 per cent and 60 per cent of Indian Bank customers avail EFT and ECS facilities. About 40 per cent of IB customers avail ATM services. About 10 per cent each of the respondents make use of utility payment services and credit and debit card services. Other services like IVRS, Internet banking, online tax accounting and RTGS are not used by any one of the respondents in IB.

In ICICI bank of private sector, only 40 per cent each of its respondents are using ATM and EFT services. About 30 per cent each of its respondents are availing ECS and Centralized banking facilities. About 10 to 20 per cent of its respondents are using Internet banking and Credit card and Debit card services. No other IT enabled services like online tax accounting, RTGS are used by anyone of its respondents. In another private sector bank i.e.Lakshmi Vilas Bank, about 30 per cent each of its respondents are using ATM, Debit and Credit Card and Electronic fund transfer facilities. Between 10 to 20 percent of its respondents are availing Core Banking system and ECS facilities. No single respondent is using any other IT enabled service is remarkable in LVB.

In VCCB, the awareness of IT enabled services among its respondents is very low. Only 20 per cent each of its customers are availing EFT and Core Banking services respectively. No other service is utilized by anyone of its respondents. It shows that generally a cooperative bank is not willing and interested to provide any IT enabled service among its customers. The above analysis has brought out that as private sector banks have popularized IT enabled services among its customers, at present even public sector banks have created awareness and aroused interest among its customers since number of respondents in public sector banks using IT enabled services have outnumbered private sector banks. Whereas in cooperative sector banks, the use of IT enabled services is at low ebb due to its poor electronic IT administration.

3.6 Customers' Satisfaction with Quality of Services

Customers' satisfaction was assessed with five parameters of quality of services, i.e, employee behaviour, accessibility, ambience, and infrastructure and working hours.

Table 5 shows that majority of the respondents i.e.60 percent in SBI and 70 per cent of the respondents in Indian Bank are not satisfied with employee behaviour among nationalized banks. This shows that employees of public sector banks are lethargic and indifferent towards their customers. In the case of private sector banks, between 60 and 80 percent of respondents are satisfied with Employee behaviour which has brought out that in ICICI bank and Lakshmi Vilas bank, customers perceive a good CRM being maintained by their banks. In VCCB, again 60 percent of respondents are not satisfied with their Employees behaviour.

Table 5 Distribution of bank customers by satisfaction with quality of services.

Quality of service	SBI		IB		ICCI		LVB		VCCB	
	n=80	%	n=80	%	n=80	%	n=80	%	n=80	%
Employee behaviour										
Satisfied	32	40	24	30	48	60	64	80	32	40
Not satisfied	48	60	56	70	32	40	16	20	48	60
Total	80	100	80	100	80	100	80	100	80	100
Accessibility										
Satisfied	64	80	56	70	48	60	56	70	16	20
Not satisfied	16	20	24	30	32	40	24	30	64	80
Total	80	100	80	100	80	100	80	80	80	100
Ambience										
Satisfied	56	70	48	60	64	80	48	60	64	80
Not satisfied	24	30	32	40	16	20	32	40	16	20
Total	80	100	80	100	80	100	80	80	80	100
Infrastructure										
Satisfied	64	80	56	70	48	60	40	50	32	40
Not satisfied	16	20	24	30	32	40	40	50	48	60
Total	80	100	80	100	80	100	80	80	80	100
Working Hours										
Satisfied	56	70	48	60	64	80	56	70	32	40
Not satisfied	24	30	32	40	16	20	34	30	48	60
Total	80	100	80	100	80	100	80	80	80	100

Another quality of service that the investigator measured was accessibility of the banks. The figure in the Table 5 shows that again majority of the respondents, more than half were satisfied with accessibility of their banks in public as well as private sector banks, except in VCCB, where 80 per cent of the respondents are not satisfied with accessibility. As regards the quality of ambience of the banks, in all public, private and cooperative sector banks, majority of the respondents expressed their satisfaction about neat surroundings and interior decoration of their banks.

Another factor of quality of service measured by the researcher was infrastructure of the banks. Around 70 to 80 per cent of the respondents are satisfied with infrastructure of the public sector banks. A little less i.e.50 to 60 percent of customers of private sector banks are satisfied with infrastructure facilities of the private sector banks. In VCCB, only 40 percent of the respondents are satisfied with infrastructure facility provided by their bank.

In respect of service quality of working hours, between 60 percent and 80 percent of the respondents are satisfied in public and private sector banks, whereas, in VCCB, only 40 percent of the respondents are satisfied with the working hours of their bank. This study has brought out that even public sector and cooperative banks have

considerably increased their working time on par with private sector banks. But still, the longer lunch break and inadequate staff are the grievances of the customers in the case of public and cooperative sector banks.

3.7 Nature of Complaints made by Customers

The investigator made an attempt to scrutinize complaints of respondents to their bank. The analysis of data (Table 6) shows that the percentage of respondents, who made complaints to their bank, is small. A few respondents, i.e. only 20 percent in SBI made complaints to the bank, while 30 percent of respondents made complaints in Indian Bank.

Table 6: Distribution of bank customers by nature of complaints to branch officials

Nature of complaints	SBI		IB		ICICI		LVB		VCCB	
	n=80	%	n=80	%	n=80	%	n=80	%	n=80	%
They ever made complaints										
Yes	16	20	24	30	16	20	16	20	8	10
No	64	80	56	70	64	80	64	80	72	90
Total	80	100	80	100	80	100	80	100	80	100
Nature of Complaints										
Cheque delay	16	20	8	10	8	10	8	10	-	-
Draft delay	8	10	8	10	-	-	-	-	-	-
Extra charges applicable	-	-	8	10	8	10	8	10	-	-
Loan delay	16	20	-	-	-	-	8	10	8	10
Response for Complaints										
Solved	8	10	8	10	8	10	8	10	-	-
Unsolved	-	-	16	20	8	10	-	-	8	10
Takes time	8	10	-	-	-	-	8	10	-	-

A little respondent in ICICI Bank and LVB made complaints to their bank that is 20 percent in each private sector bank. In VCCB, only 10 percent of respondents have made complaints which reveal the lack of awareness and initiatives on the part of bank customers to redress their grievances. The nature of complaints in different banks was found to be cheque delay, draft delay, extra charges and applicable loan delay.

As regards response for complaints, complaints of the 10 percent of the respondents were solved in SBI at once and in case of another 10 percent SBI took time to solve the complaints. In Indian Bank, complaints of 10 percent of the respondents were solved, 20 percent were not solved. In the private sector ICICI Bank also, complaints of 10 percent of the respondents were solved, 10 percent were not solved and in LV Bank 10 percent complaints of respondents were solved immediately and the LV Bank took time to solve the complaints of 10 percent of its respondents. In VCC Bank, complaints of 10 percent of its respondents were not solved.

The above analysis shows that complaining matters were so little in each of the banks. It does not mean that customers had negligible complaints. Sometime respondents did not expect the matter to be solved, while sometimes they did not want to go for complaining.

3.8 Suggestions of the Customers

Suggestions were asked and recorded from the customers of different type of banks. They evinced interest and offered the following suggestions to improve the banking services of their respective banks.

Table 7 Suggestions given by the customers for improving the bank services

Banks	Suggestions
SBI	<ol style="list-style-type: none"> 1. Infrastructure should be improved 2. Ambience should be improved 3. Employee behavior should be improved 4. Interest rate on deposits should be increased 5. Communication with customers should be improved 6. Information about new services should be given to customers
IB	<ol style="list-style-type: none"> 1. Infrastructure should be improved 2. Employee behavior should be improved 3. Proper guidance should be given to the customers 4. Work should be completed easily 5. Working hours should be increased 6. Different forms for transactions should be displayed properly
ICICI	<ol style="list-style-type: none"> 1. Accessibility should be increased 2. Working hour should be increased 3. More facilities should be provided by the bank 4. Charges should be reduced 5. Communication with customers should be improved 6. Proper guidance should be given to the customers
LVB	<ol style="list-style-type: none"> 1. Accessibility should be increased 2. Working hour should be increased 3. Charges should be reduced 4. Proper guidance should be given to the customers 5. Information about new services should be given to customers
VCCB	<ol style="list-style-type: none"> 1. Accessibility should be increased 2. Working hour should be increased 3. Infrastructure should be improved 4. Ambience should be improved 5. Communication with customers should be improved 6. Proper guidance should be given to the customers 7. Employee behavior should be improved

The analysis presented in Table 7 shows that respondent of nationalized banks and cooperative banks wanted to improve employee behavior, ambience, and infrastructure. They also wanted longer working hours. On the other hand, respondents of private sector banks wanted improvements in other areas such as lower charges, more accessibility and good communication.

4. CONCLUSION

Various traditional and IT enabled banking services used by customers are studied in the present study. In addition, customers' satisfaction was also measured with various dimensions. It is observed that cheque deposit and cheque clearance were the most common banking services used by the customers of all five banks. While the charges levied by the bank on different services were perceived higher by the customers in private sector banks in comparison to nationalized and cooperative banks. Only a small number of respondents were using IT enabled services other than ATM. Securities, lack of facility, improper awareness and so on were found to be the reasons for not using IT enabled services. The customers of nationalized banks and cooperative banks were not satisfied with the employee behavior and infrastructure, while respondents of private banks were not satisfied with high charges, accessibility and communication. The study shows that only a few respondents made complaint to their respective banks. The nature of complaints was mostly delay in transactions and extra charges. Hence, the study throws light on different aspects and drawbacks of services of the nationalized, private and cooperative banks. Training on stress management and public dealing should be imparted to the employees of nationalized banks and cooperative banks. Nationalized and cooperative banks need to improve in infrastructure and ambience to compete with private sector banks in India. Branches of private and cooperative banks should be improved for easy accessibility.