A STUDY ON SRVICE QUALITY IN BANKING INDUSTRY: A COMPARATIVE STUDY BETWEEN SBI AND CANARA BANK IN TRIVANDRUM

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Abstract
Bank is a service sector which is responsible for the financial advancement of an economy to a great extent. They needed to give more significance to support quality inorder to continue in the competitive environment.Banks put its clients as the focal point of everything. This study endeavors to comprehend the distinction in service quality offered by State Bank of India and Canara Bank. SERVQUAL dimensions such as tangibles, reliability, responsiveness, assurance and empathy is utilized to quantify the service quality seen by the clients of the State Bank of India and Canara Bank in Trivandrum District.In the study, primary data was gathered through questionnaire and the random sampling method was used to select the sample. The sample comprises of 150 respondents, 75 each from SBI and Canara Bank. Statistical tools such as percentage analysis, Standard deviation andChi-square test have been applied for analysing the data.This study uncovers that quality of services are better in SBI than in Canara Bank.

Keywords: Service quality, Banking sector, SBI, Canara bank.

Introduction
In the Indian financial market, banks play a major role in order to attract the savings from the population. They are the most successful industry in our country. Banking industry can be affected by the fluctuating economic environment. It is one of the popular avenues for investment for those who wish to invest their savings without having to worry about loss in value.

The study was conducted in two public sector banks in Trivandrum namely, State Bank of India and Canara Bank. With an intension to carry out a comparative study of the service quality of the banks, data was collected using the structured questionnaire method, and analysed using statistical tools such as chi-square test, standard deviation and percentage analysis. The study is based on the five dimensions of service quality- tangibles, reliability, responsiveness, assurance and empathy.

Objectives of the Study
1. To study about the quality of the supporting and facilitating services provided by both State Bank of India and Canara bank and compare theirservices.
2. To analyse the opinion of the respondents about the service quality of personnel in SBI and Canara banks inTrivandrum.
3. To examine the opinion of customers regarding physical evidence of the banks and to identify how the tangibles affect the service quality of banks.
4. To offer suitable suggestions based on the findings of the wholestudy.

Research Methodology
Sources of Data
For the purpose of study both primary and secondary data are used. Primary is collected with the help of structured questionnaire administered to the clients of both SBI and Canara Bank in Trivandrum city. The secondary data are collected from websites, journals, magazines, etc.

Sample Design
- Population:The population includes all the clients of SBI and Canara Bank in Trivandrum city.
- Sample size: The sample size taken for the study was 150 clients, 75 from SBI and 75 from Canara Bank.
- Sampling method: The sampling technique used for the sample selection was convenience sampling.
- Tools for data analysis and representation: For the analysis part percentage analysis, standard deviation and chi-square test are used. The tools used for data representation is tables and charts.

Limitations of the study
1. It was difficult to collect data during working hours because the customers were busy in their banking transactions.
2. Since all branches were not taken under the study, accurate and complete data was unavailable.
3. Inability to collect more accurate data from respondents due to their partial co-operation with the researcher.

Banking Sector in India
Indian banking scenario started its performance from pre-independence period itself. In those times the banking activities were carried out by indigenous bankers or individuals and was only limited to a few. After independence, the nationalization of commercial banks created a drastic change in the banking sector in India. The first nationalization took place in the year 1969, which was initiated by the then Prime Minister of India, Indira Gandhi. The second phase of nationalization took place in the year 1974.

With nationalization the banking functions even brought to the lowest sections of the society. In 1991, the new economic policies were adopted in India, known as LPG. The new economic policies adopted by India enhanced the purview of banking. It brought drastic changes in the banking sector. The introduction of modern technologies in banking helps the people to access the banking services 24*7.

State Bank of India is the largest banker in India which provides a variety of services to the citizens of India. Canara Bank is one of the fastest growing nationalized bank in India interms of transactions and branches.

Literature Review
In the year 2018, Anis Ali, L.S. Bishtconducted a comparative study on "Customer's satisfaction in public and private sector banks in India." The objective of the study was to measure satisfaction level of customers of Public and Private Banks and the factors responsible for variation in customers' satisfaction. The findings of the study reveal that customers of Private and Public sector banks are satisfied except on some tangibles and behavioral factors of the Public bank employees. So, in order to enhance customer satisfaction, they need to consider tangibles and behavioral factors of the employees in Public banks.

"Comparative analysis on Service Quality of ICICI and SBI bank in RajapalayamTaluk– an Empirical Study" conducted by P. BhavaniPappammal, A.P Hariharan, M.Meera, and G.Gunaseelan (2017) aims to understand the difference in service quality offered by ICICI Bank and State Bank of India. Here in this study,26 items related to service quality were measured. Customers were requested to rate the service quality by putting more credit or low credit in order to improve the bank's performance based on the customer's opinion.

Data Analysis

1. Opinion about the ATM services

Opinion	SBI	Percentage	Canara Bank	Percentage
Excellent	53	71	44	59
Very Good	14	19	17	23
Good	8	11	10	13
Average	0	0	4	5
Poor	0	0	0	0
Total	**75**	**100**	**75**	**100**

The above table shows that 71 percent of the respondents were of the opinion that the ATM services provided by SBI are excellent, 19 percent respondents opined as very good, 11 percent the respondents were of the opinion that the ATM services provided by SBI are good.From the table it is clear that 59 percent of the respondents were of the opinion that the ATM services provided by Canara bank are excellent, 23 percent of them opined as very

good, 13 percent of them opined as good and 5 percent of the respondents were of the opinion that the ATM services provided by Canara bank asaverage.Thus it can be inferred that the ATM services providedby SBI are excellent than that of Canara bank.
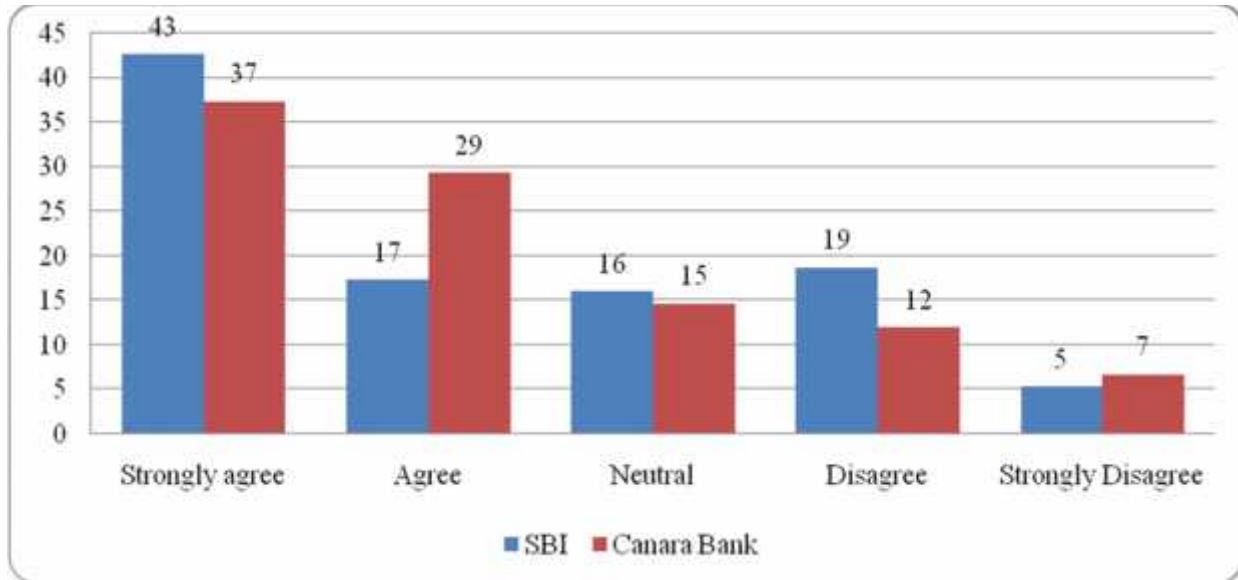
2. Knowledge of employees to answer customer enquiries
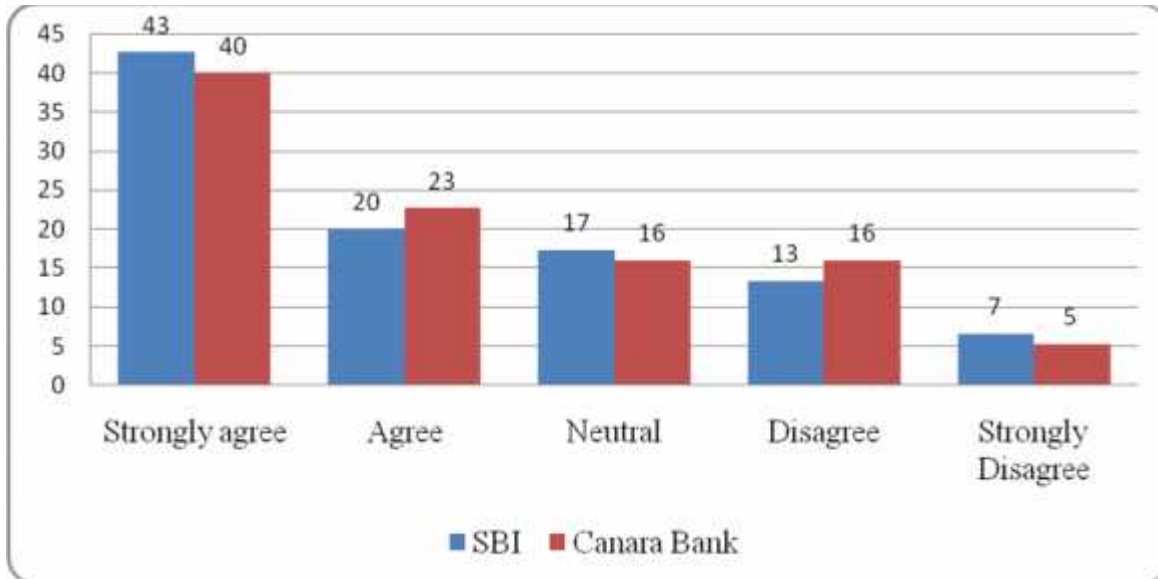
The above chart shows that 43 percent of the respondents strongly agreed that the employees of SBI have complete knowledge to answer their questions, 20 percent of the respondents agreed to the statement, 17 percent of them have neutral opinion, 13 percent of them are disagreed to the statement and 7 percent of the respondents strongly disagreed that the employees of SBI have complete knowledge to answer their questions. From the chart it is clear that 40 percent of the respondents strongly agreed that the employees of Canara bank have complete knowledge to answer their questions, 23 percent of the respondents agreed to the statement, 16 percent of them have neutral opinion, 16 percent of them are disagreed to the statement and 5 percent of the respondents strongly disagreed that the employees of SBI have complete knowledge to answer their questions.Thus it can be inferred that the employees of SBI have complete knowledge to answer their questions than that of Canara bank.

3. Bank put its customers as centre of everything

Opinion	SBI	Percentage	Canara Bank	Percentage
Strongly agree	32	43	28	37
Agree	13	17	22	29
Neutral	12	16	11	15
Disagree	14	19	9	12
Strongly disagree	4	5	5	7
Total	**75**	**100**	**75**	**100**

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From the above table and chart it is clear that SBI put its customers as centre point of everything than in Canara bank.

Hypothesis
   1. **Hypothesis regarding the physical facilities provided**
Null Hypothesis (H$_0$): There is no significant difference between SBI and Canara Bank regarding the physical facilities provided.

$$H0: \quad 1 = \quad 2$$

Alternative Hypothesis(H$_1$): There is significant difference between SBI and Canara Bank regarding the physical facilities provided.

$$H0: \quad 1 \quad 2$$

Standard deviation table for comparing supporting and facilitating services

Opinion	SBI	x-x	(x-x)2	Canara bank	x-x	(x-x)2
Excellent	40	25	625	21	6	36
Very good	18	3	9	24	9	81
Good	17	2	4	15	0	0
Average	0	-15	225	10	-5	25
Poor	0	-15	225	5	-10	100
Total	**75**		**1088**			**242**

x1=   x/N=75/5=15   x2=   x/N=75/5=15

$1 = \dfrac{\sqrt{\Sigma(x-\bar{x})2}}{N}$

= $\sqrt{1088/5}$

= 14.75

$2 = \dfrac{\sqrt{\Sigma(x-\bar{x})2}}{N}$

= $\sqrt{242/5}$

= 6.96

Table for the calculation of Chi-square value

O_i	E_i	$O_i . E_i$	$(O_i - E_i)^2$	$(O_i - E_i)^2/E_i$
40	30.5	9.5	90.25	2.95
18	21	-3	9	0.43
17	16	1	1	0.06
0	5	-5	25	5
0	2.5	-2.5	6.25	2.5
21	30.5	-9.5	90.25	2.95
24	21	3	9	0.43
15	16	-1	1	0.06
10	5	5	25	5
5	2.5	2.5	6.25	2.5
$(O_i - E_i)^2/E_i$				**21.88**

Chi Square calculated value =21.88
Degree of freedom = 4
From the table, chi square value = 9.48
X^2 =21.88>9.48 (Calculated value > Table value)
Intrepretation
Since the calculated value is more than the table value, **null hypothesis is rejected** at 5% level of significance. Thus it signifies that there is significant difference between SBI and Canara Bank regarding the physical facilities provided.

2. **Hypothesis regarding the sincere interest to solving customer problems**
Null Hypothesis (H$_0$): There is no significant difference between SBI and Canara Bank regarding the sincere interest to solve customer problems.

$$H0: \quad 1= \quad 2$$

Alternative Hypothesis(H$_1$): There is significant difference between SBI and Canara Bank regarding the sincere interest to solve customer problems.   H0: 1   2

Standard deviation table for comparing sincere interest to solve customer problems

Opinion	SBI	x-x	(x-x)2	Canara bank	x-x	(x-x)2
Strongly agree	26	11	121	24	9	81
Agree	21	6	36	18	3	9
Neutral	12	-3	9	13	-2	4
Disagree	9	-6	36	12	-3	9
Strongly disagree	7	-8	64	8	-7	49
Total	**75**		**266**	**75**		**152**

x1   =   x/N=75/5=15

1   $= \dfrac{\sqrt{\Sigma(x-\bar{x})2}}{N}$

  $= \sqrt{266/5}$

  $= 7.29$

x2   =   x/N=75/5=15

2   $= \dfrac{\sqrt{\Sigma(x-\bar{x})2}}{N}$

  $= \sqrt{156/5}$

  $= 5.58$

Table for the calculation of Chi-square value

O_i	E_i	$O_i \cdot E_i$	$(O_i - E_i)^2$	$(O_i - E_i)^2/E_i$
26	25	1	1	0.04
21	19.5	1.5	2.25	0.11
12	12.5	-0.5	0.25	0.02
9	10.5	-1.5	2.25	0.21
7	7.5	-0.5	0.25	0.03
24	25	-1	1	004
18	19.5	-1.5	2.25	0.11
13	12.5	0.5	0.25	0.02
12	10.5	1.5	2.25	0.21
8	7.5	0.5	0.25	0.03
$(O_i - E_i)^2/E_i$				**0.82**

Chi Square calculated value = 0.82
Degree of freedom = 4
From the table, chi square value = 9.48
X^2 =0.8<9.48 (Calculated value < Table value)

Intrepretation
Since the calculated value is less than the table value, **null hypothesis is accepted** at 5% level of significance. Thus it signifies that there is no significant difference between SBI and Canara Bank regarding the sincere interest to solve customer problems.

3. Hypothesis regarding the prompt services provided by service personnel
Null Hypothesis (H$_0$): There is no significant difference between SBI and Canara Bank regarding the prompt services provided by service personnel.

$$H0: \quad 1 = 2$$

Alternative Hypothesis(H$_1$): There is significant difference between SBI and Canara Bank regarding the prompt services provided by service personnel.

$$H0: \quad 1 \quad 2$$

Standard deviation table for comparing prompt services provided by service personnel

Opinion	SBI	x-x	(x-x)2	Canara bank	x-x	(x-x)2
Strongly agree	36	21	441	30	15	225
Agree	14	-1	1	12	2	4
Neutral	12	-3	9	13	-2	4
Disagree	10	-5	25	9	-6	36
Strongly disagree	3	-12	144	6	-9	81
Total	**75**		**620**	**75**		**350**

x1 = x/N=75/5=15

1 $= \frac{\sqrt{\Sigma(x - \bar{x})2}}{N}$

\ $= \sqrt{620/5}$

= 11.13

x2 = x/N=75/5=15

2 $= \frac{\sqrt{\Sigma(x - \bar{x})2}}{N}$

$= \sqrt{350/5}$

= 8.36

Table for the calculation of Chi-square value

O_i	E_i	$O_i \cdot E_i$	$(O_i - E_i)^2$	$(O_i - E_i)^2/E_i$
36	33	3	9	0.27
14	15.5	-1.5	2.25	0.14
12	12.5	-0.5	0.25	0.02
10	9.5	0.5	0.25	0.02
3	4.5	-1.5	2.25	0.03
30	33	-3	9	0.27
17	15.5	1.5	2.25	0.14
13	12.5	0.5	0.25	0.02
9	9.5	-0.5	0.25	0.03
6	4.5	1.5	2.25	0.5
$(O_i - E_i)^2/E_i$				**1.44**

Chi Square calculated value = 1.44

Degree of freedom = 4

From the table, chi square value = 9.48

X^2 =1.44<9.48 (Calculated value < Table value)

Intrepretation
Since the calculated value is less than the table value, **null hypothesis is accepted** at 5% level of significance. Thus it signifies that there is no significant difference between SBI and Canara Bank regarding the prompt services provided by service personnel.

Findings
- According to the study conducted the modern looking equipments used, presence of visually appealing physical facilities, the appearance of employees, the materials associated with the service and the ATM services provided are excellent in SBI than that of Canara bank.
- In both banks the second dimension, reliability is more or less same in the areas like sincere interest of banks in solving customer problems, provide the service at the time they promise to do so and maintaining error free records.
- The study also revealed that the responsiveness aspects of both banks are same. They inform customers exactly when services will be performed, employees of banks give prompt service to customers, employees are always willing to help customers and the employees of banks are never too busy to respond to customers' requests.
- Assurance dimension of service quality consists of the helping mentality of employees to build confidence in customers, safe transactions guaranteed, polite behaviour of employees with customers and the adequate knowledge they have to answer customers' questions. There is no significant difference between SBI and Canara Bank regarding assurance given.
- As per the study conducted there is no significant difference between SBI and Canara bank regarding the dimension empathy. Customers are getting individual attention from employees, the operating hours of banks are convenient to all its customers, the employees of banks clearly understand the specific needs of their customers and banks put its customer at the centre of everything.

Suggestions
- As a service sector, the banking industries must continuously measure and improve the SERVQUAL dimensions in order to gain customer loyalty because these dimensions serve as a meaningful framework for tracking a bank's service quality performance over time and comparing it against the performance of competitors.
- Efficient and knowledgeable employees are always a big boon for banking sector. Adequate training should be provided to the employees on technical and behavioral aspects, so that banks can deliver quick and prompt services.
- As per the study conducted there is difference in the presence of tangibles in SBI and Canara bank. Both banks, especially Canara bank should concentrate on increasing features and fine tuning tangibility ofthe banking services according to customer expectations which assures the customer satisfaction.

Conclusion
Quality in servicing clients is a significant promoting build for banks. . The competitive banking industry, centers on giving wide productlines as well as underlines the significance of its services, especially in keeping up service quality. The present study was based on five dimensions of service quality which reveals that there is significant difference between SBI and Canara bank with respect to tangibles. Yet, there is no noteworthy distinction viewing other four dimensions, such as reliability, responsiveness, assurance and empathy.

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