

# A STUDY ON CUSTOMER EXPECTATION AND PERCEPTION TOWARDS SBI CREDIT CARD REFERENCE TO NAMAKKAL

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**Abstract** -Credit card is a tiny plastic card used by the customers as a system of payment. It allows its customers to shop any kind of product and services. The credit card facilitates the user with a revolving account which helps its customers borrow money from the bank in case of a purchase. The main objective of the study is to find out the satisfaction of customers with respect to credit card usage. For the purpose of the primary data analysis, we have collected 80 samples using Credit card in SBI Bank from Namakkal. On the basis of the sample, level of satisfaction of the customer towards credit card is found out and it was found that majority of people have use Credit card over a Debit card. Convenience and fees are two of the most important things to consider when choosing a bank.

**Key Words:** Credit Cards, Bank, Satisfaction

## 1. INTRODUCTION

Generally, customer expectations are a set of ideas about a product, service or a brand that a customer holds in their mind. For example, customers that buy an Apple iPhone over another phone brand have a set of expectations about that product. For example, they expect to see that the Apple phone has a sliding lock function, a “slate-style” that has few to no physical buttons, with “Face ID” facial recognition as standard.

Customers want these expectations met in order for them to feel satisfied with the customer service and with their purchase. They’ll also have expectations that aren’t so easy to see.

Knowing your customer’s expectations is important to all businesses whether you’re a small business or a large enterprise organization. Customer expectations matter, because if you can meet them customers are likely to spend 140% more after a positive experience. To do well now and in the future, companies need to close the gap between customer expectations, and the actual customer experience. Find out how you can measure your customers satisfaction level: Customer satisfaction (CSAT) surveys: examples, definition & template customer expectations changed over time. Demand for exceptional customer service is growing, especially among the millennial generation. Microsoft found that 54% of customers have higher expectations for customer service today compared to one year ago.

Customer perception is how customers feel about your product and brand. It’s an opinion that they’ve formed through every interaction they’ve had with your company, both direct and indirect. It’s more than just whether customers “like” you; customer perception includes the feelings your business

inspires in them, along with any descriptive words they would use when talking about your business. Understanding how your customers perceive your company can help you improve your marketing, spot opportunities to improve your service delivery, and grow your business.

## 2. METHODOLOGY

Research methodology is the systematic way to solve the research problem. It gives an idea about various steps adopted by the researcher in a systematic manner with an objective to determine various manners.

A research design is considered as the framework or plan for a study that guides as well as helps the data collection and analysis of data. The research design may be exploratory, descriptive and experimental for the present study. The descriptive research design is adopted for this project.

The research worker contacted the respondents personally with well-prepared sequentially arranged questions. The questionnaire is prepared on the basis of objectives of the study. Direct contract is used for survey, i.e., contacting employees directly in order to collect data.

### 2.1 Sample size

The study sample constitutes 80 respondents constituting in the research area.

### 2.2 Statistical tools

- Simple Percentage Analysis
- Chi-Square Test
- Correlation

#### 2.2.1 Simple Percentage Analysis

A percentage analysis is used to interpret data by the researcher for the analysis and interpretation through the use of percentage. The data are reduced in the standard from which base equal to 100 which fact facility relative comparison.

$$\text{Simple percentage} = \frac{\text{No. of respondents}}{\text{Total No. of respondents}} \times 100$$

#### 2.2.2 CHI-SQUARE TEST

It is one of the most effective and broadly used non parametric take a look at in statistical work. The quantity chi-square describes the significance of the discrepancy among concept and commentary. Which is defined as,

$$\text{Chi-Square} = \frac{\sum (O_i - E_i)^2}{E_i}$$

$O_i$  = Observed frequency,  $E_i$  = Expected frequency

In general, the anticipated frequency for any can be calculated from the subsequent equations

$$E = \frac{RT \times CT}{N}$$

$E$  = Expected frequency,  $CT$  = Column general

$RT$  = Row total,  $N$  = Total quantity of observations

The calculated fee of chi-square is in comparison with the desk value of chi-square given degree of freedom of a positive specific stage of pride. If on the stated stage the calculated price of  $X^2$  is extra than the desk value of  $X^2$  the difference between principle and remark is considered to be full-size otherwise it's miles insignificant.

### 2.2.3 CORRELATION

There are several unique correlation strategies. The survey systems non-obligatory records module consists of the maximum common type, called the person or product second correlation. The module also includes a variation in this type known as partial correlation. The latter is beneficial when you need to study the connection between two variables at the same time as eliminating the impact of none or two other variables. Like all statistical strategies, correlation is best appropriate for sure types of information. Correlation works for quantifiable records which numbers are meaningful, commonly portions of some type.

$$\frac{\sum XY}{\sqrt{(\sum X^2)(\sum Y^2)}}$$

## 3. DATA ANALYSIS AND INTERPRETATION

### 1) GENDER OF THE RESPONDENTS

**Table -3.1: GENDER OF THE RESPONDENTS**

GENDER	NO OF RESPONDENTS	PERCENTAGE
Male	46	58%
Female	34	42%
<b>Total</b>	<b>80</b>	<b>100%</b>

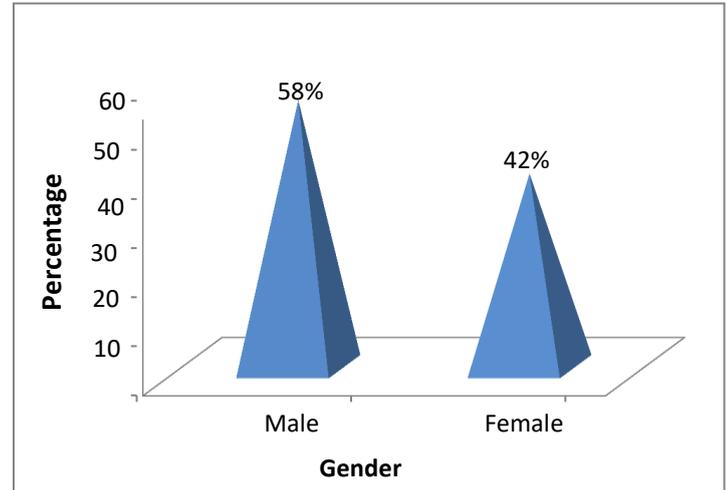
Source: Primary data

### INTREPRETATION:

Theabovetableshowsthatgenderoftherespondents, 58%oftherespondents are male and remaining42% of the respondents are female.

Maximum 58% of the respondents are male.

**Charts -3.1: GENDER OF THE RESPONDENTS**



### 2) AGE OF THE RESPONDENTS

**Table -3.2: AGE OF THE RESPONDENTS**

AGE	NO OF RESPONDENTS	PERCENTAGE
Below 25 years	22	28%
25-30 years	35	44%
30-35 years	13	16%
Above 35 years	10	12%
<b>Total</b>	<b>80</b>	<b>100%</b>

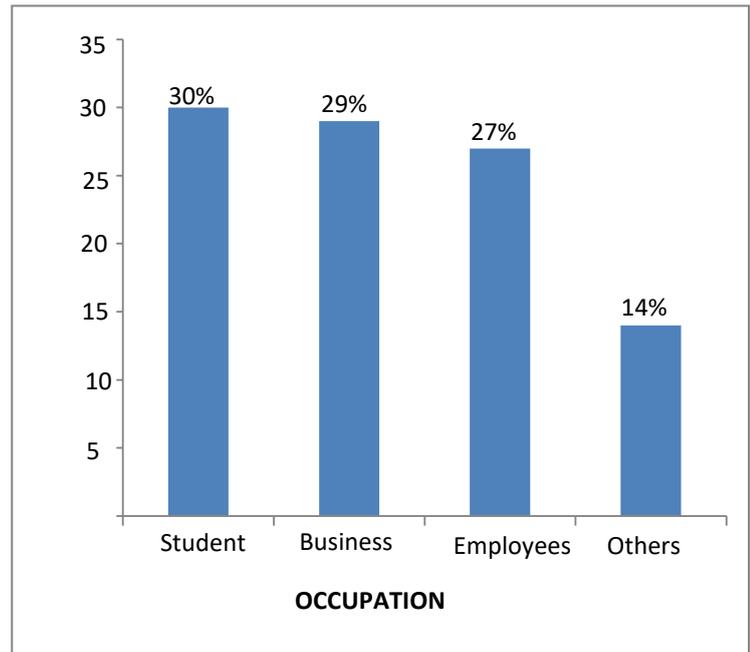
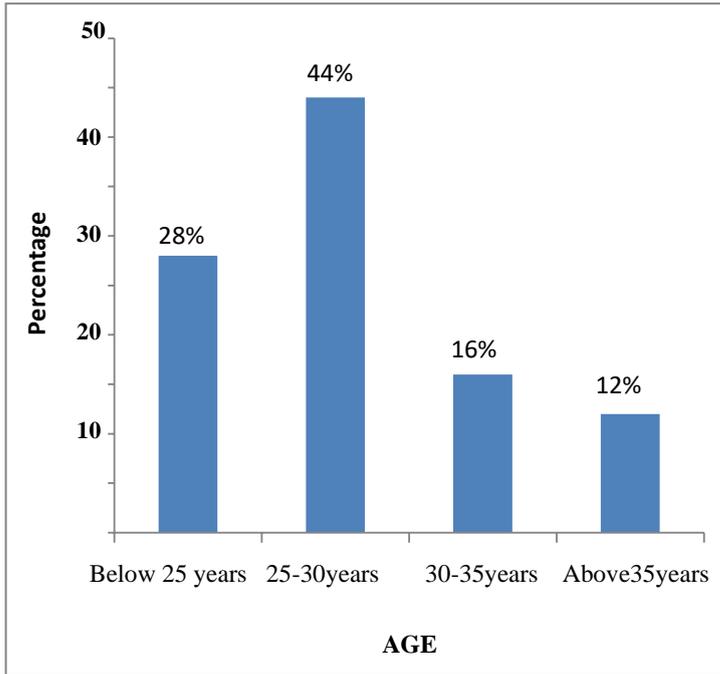
Source: Primary data

### INTREPRETATION:

The above table show that age of the respondents, 28% of the respondents are Below 25 years, 44% of the respondents are belonging to the age group of 25-30 years, 16% of the respondents are belonging to the age group of 30-35 years and remaining 12% of the respondents are belonging to the age group of above 35 years.

Most 44% of the respondents are belonging to the age group of 25-30 years

**Charts -3.2: AGE OF THE RESPONDENTS**



### 3) OCCUPATION OF THE RESPONDENTS

Table -3.3: OCCUPATION OF THE RESPONDENTS

OCCUPATION	NO OF RESPONDENTS	PERCENTAGE
Student	24	30%
Business	23	29%
Employees	22	27%
Others	11	14%
<b>Total</b>	<b>80</b>	<b>100%</b>

Source: Primary data

#### INTREPRETATION:

The above table shows that occupation of the respondents, 30% of the respondents are student, 22% of the respondents are Business, 27% of the respondents are doing business and remaining 14% of the respondents are other occupation.

Minimum 30% of the respondents are student

Charts -3.3: OCCUPATION OF THE RESPONDENTS

### 4) INCOME OF THE RESPONDENTS

Table -3.4: INCOME OF THE RESPONDENTS

INCOME	NO OF RESPONDENTS	PERCENTAGE
BelowRs.15,000	16	20%
Rs.15,000to Rs.20,000	27	34%
Rs.20,000to Rs.25,000	19	24%
AboveRs.25,000	18	22%
<b>Total</b>	<b>80</b>	<b>100%</b>

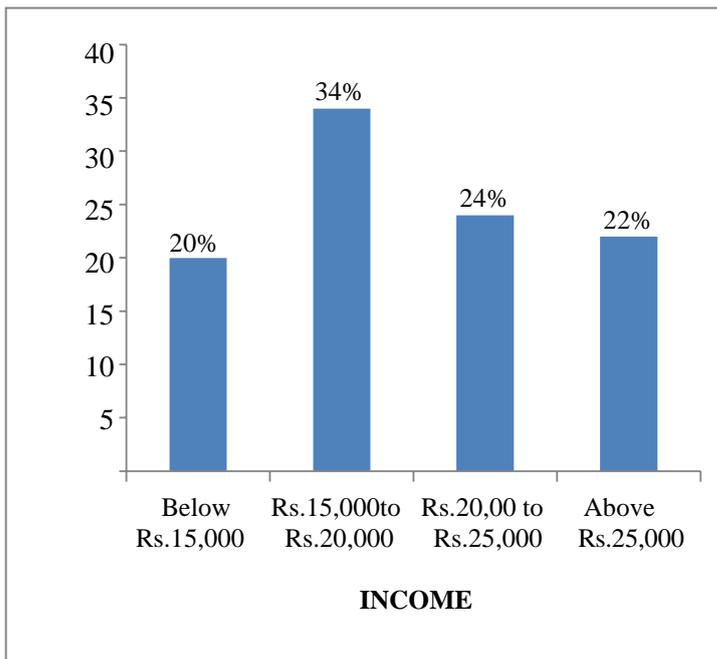
Source: Primary data

#### INTREPRETATION:

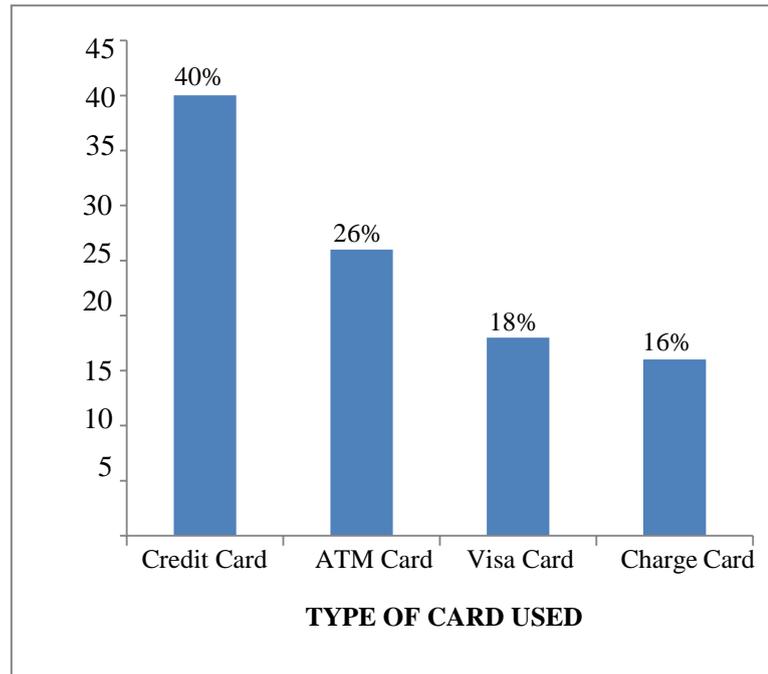
The above table shows that income of the respondents, 20% of the respondents are earning Below Rs.15,000, 34% of the respondents are earning between Rs.15,000 to Rs.20,000, 24% of the respondents are earning between Rs.20,000 to Rs.25,000 and remaining 22% of the respondents are earning Above Rs.25,000.

Minimum 34% of the respondents are earning between Rs.15,000 to Rs.20,000

Charts -3.4: INCOME OF THE RESPONDENTS



Charts -3.5: TYPE OF CARD USED



5) TYPE OF CARD USED

Table -3.5: TYPE OF CARD USED

TYPE OF CARD USED	NO OF RESPONDENTS	PERCENTAGE
Creditcard	32	40%
ATMcard	21	26%
Visacard	14	18%
Chargecard	13	16%
<b>Total</b>	<b>80</b>	<b>100%</b>

Source: Primary data

INTREPRETATION:

The above table shows that type of card used, 40% are using only credit cards, 26% of the respondents are using ATM card, 18% of the respondents are using Visa cards and remaining 16% of the respondents are using charge card.

Most 40% are using only SBI credit cards

6) YEAR OF USING CREDIT CARD

Table -3.6: YEAR OF USING CREDIT CARD

YEAR OF USING CREDIT CARD	NO OF RESPONDENTS	PERCENTAGE
Lessthan1	16	20%
1-2year	27	34%
Morethan2	37	46%
<b>Total</b>	<b>80</b>	<b>100%</b>

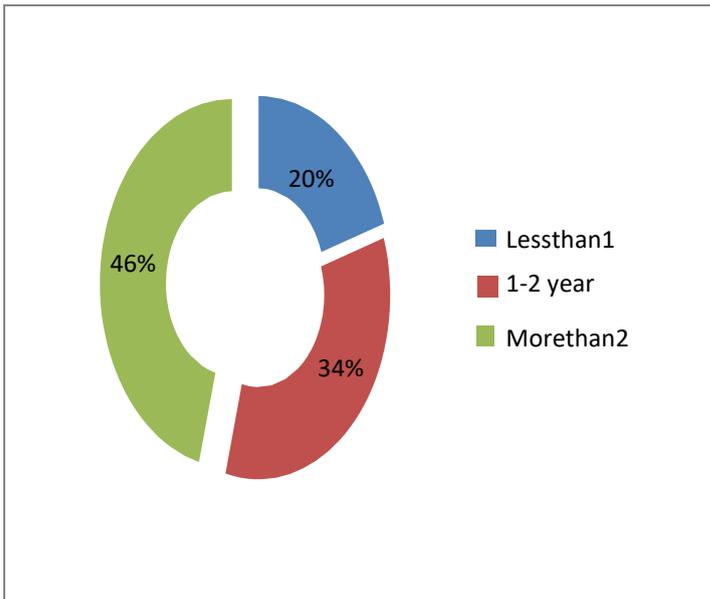
Source: Primary data

INTREPRETATION:

The above table shows that year of using credit card, 20% of the respondents are using credit card in less than 1 year, 34% of the respondents are using credit card in 1-2 year and remaining 46% of the respondents are using credit card in more than 2 years.

Most 46% of the respondents are using credit card in more than 2 years

Charts -3.6: YEAR OF USING CREDIT CARD



7) TIMES OF USING OF CREDIT CARD PER MONTH

Table -3.7: TIMES OF USING OF CREDIT CARD PER MONTH

TIME USE CREDIT CARD	NO OF RESPONDENTS	PERCENTAGE
Below 5 times	22	27%
6-10 times	30	38%
11-15 times	12	15%
More than 15 times	16	20%
<b>Total</b>	<b>80</b>	<b>100%</b>

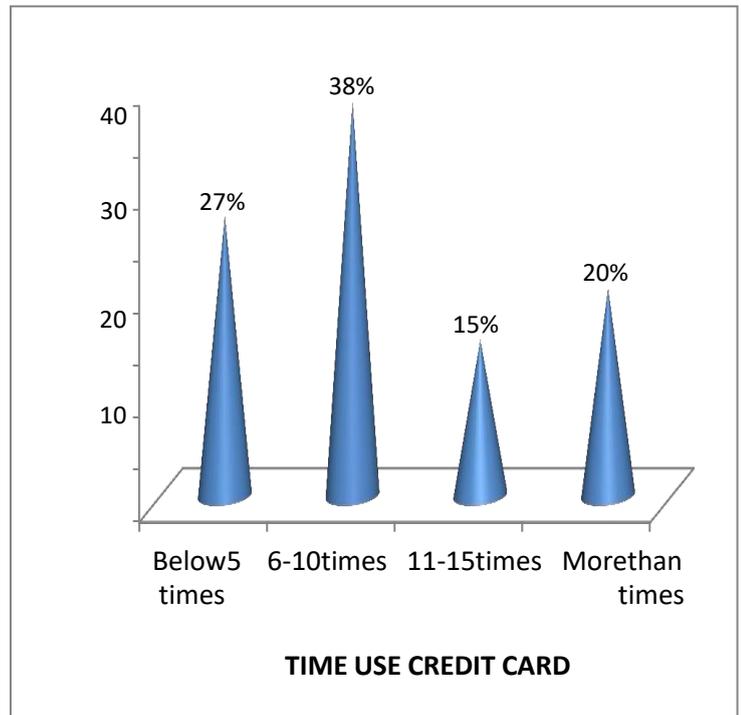
Source: Primary data

INTREPRETATION:

The above table shows that times of using of credit card per month, 27% of the respondents are using below 5 times, 38% of the respondents are using 6-10 times, 15% of the respondents are using 11- 15 times and remaining 20% of the respondents are using more than 15 times.

Minimum 38% of the respondents are using credit card 6-10 times per month

Chart -3.7: TIMES OF USING OF CREDIT CARD PER MONTH



8) MODE OF ADVERTISEMENT

Table-3.8:MODE OF ADVERTISEMENT

MODE OF ADVERTISEMENT	NO OF RESPONDENTS	PERCENTAGE
Radio	11	14%
Newspaper	24	30%
Television	26	32%
Others	19	24%
<b>Total</b>	<b>80</b>	<b>100%</b>

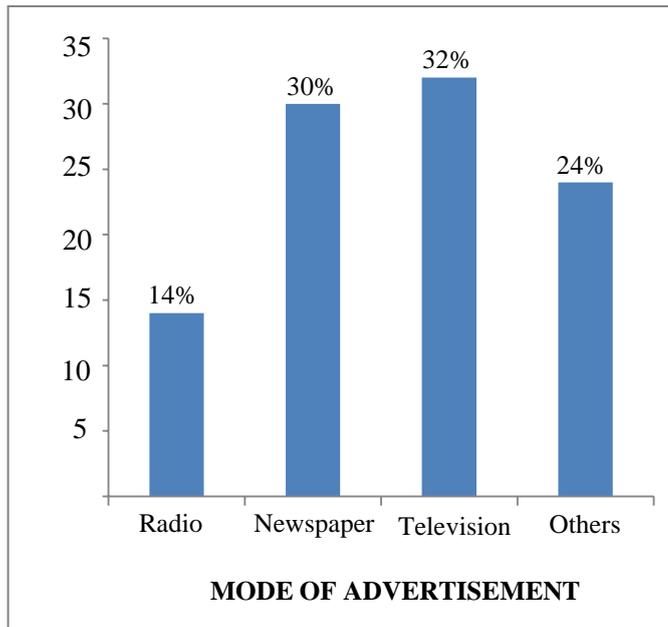
Source: Primary data

INTREPRETATION:

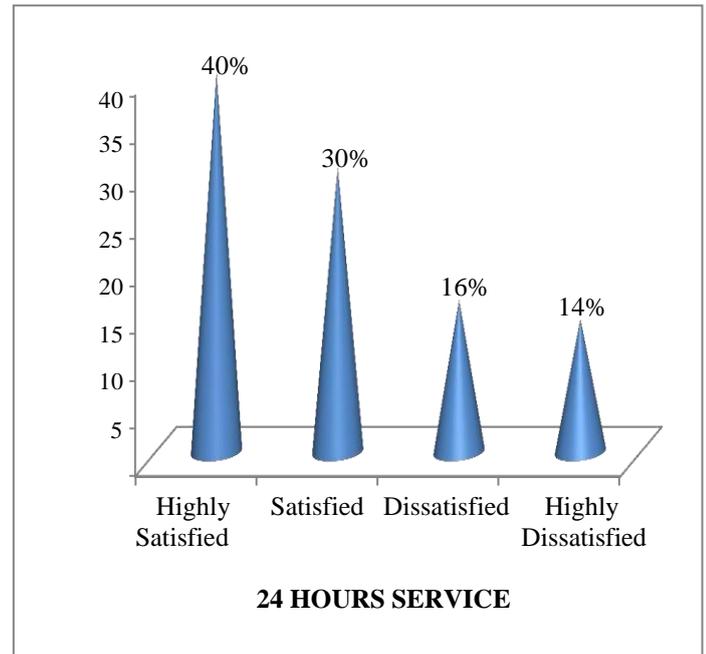
The above table shows that mode of advertisement, 14% of the respondents are known through radio 30% of the respondents are known through newspapers, 32% of the respondents are known through television and remaining 24% of the respondents are known through others.

Minimum 32% of the respondents are known through television.

**Chart -3.8: MODE OF ADVERTISEMENT**



**Chart -3.9: OPINION OF 24 HOURS SERVICE**



**9) SATISFACTION LEVEL OF 24 HOURS SERVICE**

**Table -3.9: SATISFACTION LEVEL OF 24 HOURS SERVICE**

24 HOURS SERVICE	NO OF RESPONDENTS	PERCENTAGE
HighlySatisfied	32	40%
Satisfied	24	30%
Dissatisfied	13	16%
HighlyDissatisfied	11	14%
<b>Total</b>	<b>80</b>	<b>100%</b>

Source: Primary data

**INTREPRETATION:**

The above table shows that satisfaction level of 24 hours service, 40% of respondents are highly satisfied, 30% of respondents are satisfied, 16% of the respondents are dissatisfied and remaining 14% of respondents are highly dissatisfied.

Most 40% of respondents are highly satisfied with of 24 hours service provided by the SBI credit card

**10) SATISFACTION LEVEL ABOUT CREDIT CARD CHARGE AMOUNT**

**Table -3.10: SATISFACTION LEVEL ABOUT CREDIT CARD CHARGE AMOUNT**

CHARGE AMOUNT	NO OF RESPONDENTS	PERCENTAGE
Highlysatisfied	24	30%
Satisfied	29	36%
Dissatisfied	14	18%
Highlydissatisfied	13	16%
<b>Total</b>	<b>80</b>	<b>100%</b>

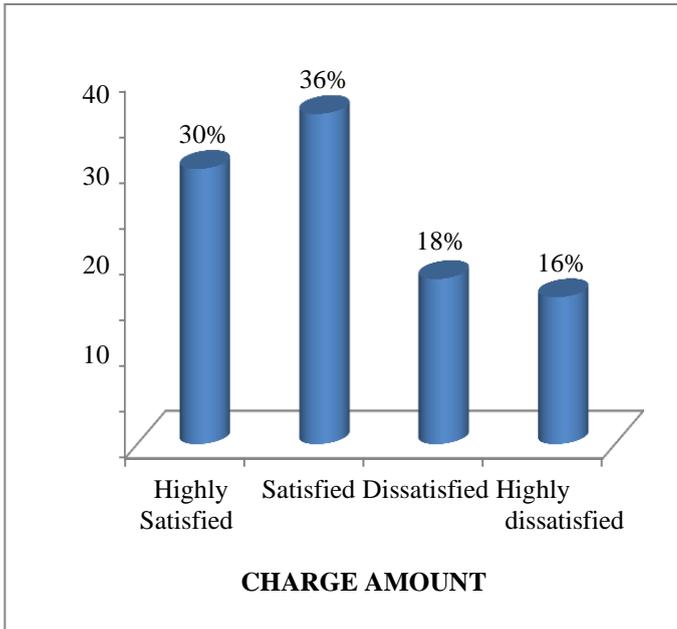
Source: Primary data

**INTREPRETATION:**

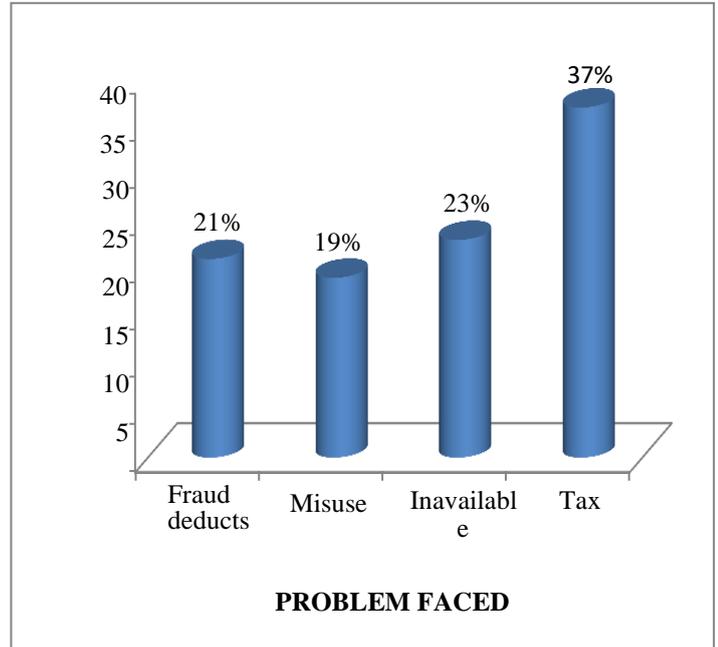
The above table shows that satisfaction level about credit card charge amount, 30% of the respondents are highly satisfied, 36% of the respondents are satisfied, 18% of the respondents are dissatisfied and remaining 16% of the respondents are highly dissatisfied.

Minimum 36% of the respondents are satisfied with credit card charge amount

**Chart -3.10: SATISFACTION LEVEL ABOUT CREDIT CARD CHARGE AMOUNT**



**Chart -3.11: PROBLEM FACED BY CREDIT CARD USERS**



**11) PROBLEM FACED BY CREDIT CARD USERS**

**Table -3.11: PROBLEM FACED BY CREDIT CARD USERS**

PROBLEM FACED	NO OF RESPONDENTS	PERCENTAGE
Fraud deducts	17	21%
Misuse	15	19%
Inavailable balance	18	23%
Tax	30	37%
<b>Total</b>	<b>80</b>	<b>100%</b>

Source: Primary data

**INTREPRETATION:**

The above table shows that problem faced by credit cards, 21% of the respondents are facing Fraud deduct problem, 19% of the respondents are facing Misuse problem, 23% of the respondents are facing in available balance problem and remaining 37% of the respondents are facing Tax problem.

Minimum 37% of the respondents are facing tax problem

**Table -3.12: TESTING OF HYPOTHESIS**

The relationship between Income per month and how many time use credit card permonth.

Income permonth / use credit card permonth	Below Rs.15,000	Rs.15,000 to Rs.20,000	Rs.20,000 to Rs.25,000	Above Rs.25,000	Total
Below 5 times	4	7	5	5	22
6-10 times	6	10	7	7	30
11-15 times	2	4	3	3	12
More than 15 times	3	5	4	4	16
<b>Total</b>	<b>16</b>	<b>27</b>	<b>19</b>	<b>18</b>	<b>80</b>

Source: Primary data

**NULL HYPOTHESIS:**

H<sub>0</sub>: There is no significance relationship between Income per month and how many time use credit card per month.

**ALTERNATIVE HYPOTHESIS:**

H<sub>1</sub>: There is a significance relationship between Income per month and how many time use credit card per month.

Particular	Observed Frequency (O)	Expected Frequency (E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
R <sub>1</sub> C <sub>1</sub>	4	4.4	0.16	0.04
R <sub>1</sub> C <sub>2</sub>	7	7.43	0.28	0.04
R <sub>1</sub> C <sub>3</sub>	5	5.23	0.15	0.03
R <sub>1</sub> C <sub>4</sub>	4	4.95	0.90	0.28
R <sub>2</sub> C <sub>1</sub>	6	6	0	0
R <sub>2</sub> C <sub>2</sub>	10	10	0	0
R <sub>2</sub> C <sub>3</sub>	7	7	0	0
R <sub>2</sub> C <sub>4</sub>	6	6.75	0.66	0.19
R <sub>3</sub> C <sub>1</sub>	2	2.4	0.16	0.17
R <sub>3</sub> C <sub>2</sub>	4	4	0	0
R <sub>3</sub> C <sub>3</sub>	2	2.95	0.90	0.32
R <sub>3</sub> C <sub>4</sub>	2	2.7	0.59	0.22
R <sub>4</sub> C <sub>1</sub>	3	3.2	0.04	0.01
R <sub>4</sub> C <sub>2</sub>	5	5.4	0.16	0.03
R <sub>4</sub> C <sub>3</sub>	3	3.8	0.64	0.27
R <sub>4</sub> C <sub>4</sub>	3	3.6	0.36	0.1
<b>Calculated value</b>				<b>2.66</b>

Degree of freedom (v) = (R-1) (C-1) = (4-1) (4-1) = 9

Level of Significance = 5%

Table value (TV) = 26.296

Calculated value (CV) = 2.66

CV < TV = H<sub>0</sub> is Accepted

**RESULT:**

Since the calculated value is less than the table value. So, we accept the null hypothesis. There is no relationship between Income per month and how many time use credit card per month

**CORRELATION**

The table shows that the relationship between factors influencing to get Credit card and Factors determine choice of credit cards

X	Y	X <sup>2</sup>	Y <sup>2</sup>	XY
35	18	1225	324	684
10	14	100	196	140
11	19	121	361	209
11	21	121	441	231
13	8	169	64	104
<b>∑ X = 80</b>	<b>∑ Y = 80</b>	<b>∑ X<sup>2</sup> = 1736</b>	<b>∑ Y<sup>2</sup> = 1386</b>	<b>∑ XY = 1368</b>

$$R = \frac{\sum XY}{\sqrt{(\sum X^2)(\sum Y^2)}}$$

$$R = \frac{1368}{\sqrt{(1736)(1386)}}$$

$$R = \frac{1368}{1551.15}$$

$$R = 0.88$$

**RESULT:**

This is a positive correlation. There are relationships between factors influencing to get Credit card and Factors determine choice of credit cards

**4. FINDINGS, SUGGESTIONS AND CONCLUSION**

**4.1 FINDINGS:**

- 58% of the respondents are male.
- 44% of the respondents are belonging to the age group of 25-30 years
- 30% of the respondents are student

- 34% of the respondents are earning between Rs.15,000 to Rs.20,000
- 40% are using only SBI credit cards
- 34% of the respondents are aware through the relatives
- 44% of the respondents have consider the personal decision factor for using credit cards
- 46% of the respondents are using credit card in more than 2 years
- 38% of the respondents are using credit card 6-10 times per month
- 32% of the respondents are known through television.
- 40% of respondents are highly satisfied with of 24 hours service provided by the SBI credit card
- 65% of the respondents are feeling difficulty in banking credit machine
- 36% of the respondents are feeling moderate about technical fault
- 36% of the respondents are satisfied with credit card charge amount
- 36% of the respondents are agree with safety of Credit card in SBI Bank
- 82% of the respondents said SBI customer care has given proper guidelines.
- 30% of the respondents are better acceptability
- 26% of the respondents are power by (Visa/Amex/Master)
- 37% of the respondents are facing tax problem
- 80% of the respondents are recommend to friends and relatives.

#### 4.2 SUGGESTIONS:

- Better customer care support should be provided to the customers for a lifelong usage of credit cards.
- Provide advance facilities to the credit card holders to keep the customers from changing their bank.
- Give discounts to customers those who maintain their credit level.
- Give proper records and statements of the credit account to the customers to increase the knowledge of customer about the credit policies.
- Ensure steps to reduce the attempts of fraud and also to increase confidence among customers.
- Proper education should be given to senior citizen about the usage of credit card.

#### 4.3 CONCLUSIONS

In order to facilitate the customers to carry the cards with them, effective protective measures must be taken to protect the cards against operational and security risk. We came to know that banks provide security and convenience for managing your money and sometimes allow them to make money by earning interest. Convenience and fees are two of the most important things to consider when choosing a bank. Writing and depositing checks are perhaps the most fundamental ways to move money in and out of a checking account, but advancements in technology have added ATM and debit card transactions. While debit cards encourage more responsible spending than credit cards, they do not offer the same protection or perks to consumers. Majority of the respondents were card holders of SBI bank. Customers choose their bank which provides better services and advance facilities to the card holder. So overall the customers are satisfied with the credit policies.

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