

# **A STUDY ON CUSTOMER SATISFACTION TOWARDS HDFC BANKS IN COIMBATORE CITY**

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## **ABSTRACT**

In the current scenario customer satisfaction is the major problem for the banking sector. It is very difficult to identify the customer needs and wants. Due to which serving the customer becomes difficult. Now a days customer preferences keep on changing at a rapid speed and their demands are insatiable. It is also very difficult for marketers in retaining current customers and attracting future customers. In order to cater to the changing preferences, bankers are bound to provide the services suitable to their needs to survive. To have a large market share attaining and retaining customers is important. Customer is the king of the present day banking, since the banks are providing tailor-made services to the changing needs of customers to face the competition from rival banks. Customers are not ready to accept any delay in service today and are in need of information to take instant decisions. Therefore, customer satisfaction is more important in servicing. Customers are not homogenous in their behavioural pattern, attitudes, needs and expectations. The study is also intended to analyse the attitude of the customers towards the services provided by the HDFC Banks.

**KEY WORDS:** Customer Satisfaction, HDFC Bank, Coimbatore city, Service Quality, Banking products & service, Customer experience, Customers perception.

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## **CHAPTER-I**

### **INTRODUCTION OF THE STUDY**

#### **1.1 INTRODUCTION**

Customer satisfaction is a measure of a customer's satisfaction with a service or product received from an agency. Satisfaction does not only depend on the quality and type of customer experience, but also on its expectations. The one who Require and depends on one or more products or services from an agency. Consumers, service users or customers are usually referred to as personal services customers. Clients can be groups or individuals. Organizations that are

motivated to provide excellent service to their customers gather feedback from consumers and work on delivering the best customer experience. Customer- focused organizations should Listen to the customers as they design advertisements determining their expectation and Focus on evaluating customer feedback and customer service activities and performance measurement<sup>1</sup>.

Customer satisfaction is necessary in the banking industry for several reasons like the existence of community service organization mainly depends on satisfaction of consumer's needs. Leaders in this sector are organizations that

strive to exceed minimum standards and customer expectations. Customers assess the quality of service delivery and help those sectors in shaping service development.

Banking is a financial institution that accepts deposits from public and creates a demand deposit while simultaneously making loans. Now the private sector banks are introduced and their functions are changed. Private sector banks have become profit centers, insurance companies and mutual funds. However, nationalized banks provide loans for rural development activities such as education and agriculture. Therefore, they are always service-oriented. Banks offer facilities for depositing and withdrawing money when needed. The focus should be on securing a small number of big players that can compete globally rather than securing a large number of fragmented players. It provides a safe place to save money and lends money to the borrower for the job well done. They provide savings accounts, deposits and loans using these deposits<sup>2</sup>.

This study on customer satisfaction towards HDFC Bank in Coimbatore City is a research project aimed at understanding the level of satisfaction that customers have with the services provided by HDFC Bank in Coimbatore City. The study involves gathering data through surveys, interviews, and other research methods, and analysing that data to draw conclusions about customer satisfaction.

## **1.2 STATEMENT OF THE PROBLEM**

In the current scenario customer satisfaction is the major problem for the banking sector. It is very difficult to identify the customer needs and wants. Due to which serving the customer becomes difficult. Now a days customer preferences keep on changing at a rapid speed and their demands are insatiable. It is also very difficult for marketers in retaining current customers and attracting future customers. In

order to cater to the changing preferences, bankers are bound to provide the services suitable to their needs to survive. To have a large market share attaining and retaining customers is important. Customer is the king of the present day banking, since the banks are providing tailor-made services to the changing needs of customers to face the competition from rival banks. Customers are not ready to accept any delay in service today and are in need of information to take instant decisions. Therefore, customer satisfaction is more important in servicing. Customers are not homogenous in their behavioural pattern, attitudes, needs and expectations. The study is also intended to analyse the attitude of the customers towards the services provided by the HDFC Banks.

## **1.3 OBJECTIVES OF THE STUDY**

- To study which facilities influence customers the most while selecting a bank.
- To compare various products and services provided by bank.
- To find out the customers preference out of the different products and services offered
- To examine the satisfaction level of the customers towards the bank.

## **1.4 RESEARCH METHODOLOGY**

Research methodology is a way of explaining how a researcher intends to carry out their research. It's a logical, systematic plan to resolve a research problem. A methodology details a researcher's approach to the research to ensure reliable, valid results that address their aims and objectives. It encompasses what data they're going to collect and where from, as well as how it's being collected and analysed.

### 1.5 LIMITATION

- The report has been conducted within a limited frame.
- The sample size is limited to 145 only and the sample size may not represent whole HDFC bank customers in Coimbatore city.
- Samples were selected randomly.
- Some of the respondents hesitated to answer truly and frankly.
- People have shown negative attitude while filling personal details in questionnaire.

### 1.6 CHAPTER SCHEME

**CHAPTER I** - This chapter deals with introduction, Statement of the problem, Objectives of the study, Research methodology of the study, Limitations and chapter scheme.

**CHAPTER II** - This chapter deals with Review of literature which consist of information collected through reports, journals, websites.

**CHAPTER III** - This chapter deals with Theoretical framework.

**CHAPTER IV** - This chapter deals with Analysis and Interpretation of the data collected.

**CHAPTER V** - This chapter deals with Findings, Suggestions and Conclusion of the study.

## CHAPTER -II

### 2.1 REVIEW OF LITERATURE

**Jayraj Javheri and Ravindra Gawali (2022)<sup>1</sup>** Banks play a very important role in any Financial System. It is the backbone of the Indian Financial System. The Rising NPA's of the Banks in India for the last 5 years has really posed a threat to the Indian financial system. Recently Standard & Poor Global Rating agency has expected the NPA's of Indian banks to remain elevated at 11.5%. NPA helps to measure the Performance of any bank. It is quite evident that the Recent Covid Pandemic has badly hit not only India but the entire world to a greater extent. The Public and Private sector banks in India both have been adversely affected by the Rising NPA.

Through this research, it has been observed that Public sector banks are more adversely affected than Private sector banks. My Study Focus on the Trend & Differences in the Non-Performing Assets of the Selected Indian Public and Private Sector Banks.

**Dr.V.Sridevi and Sangeetha G (2022)<sup>2</sup>**

The present study was undertaken to know the satisfaction of the customers towards state Bank of India (SBI) and (HDFC) Bank. The main problem of the customers is they are not well aware of the services provided by their banks. The study also focuses on the customer perception that how the banking services can be improved. In this study, both primary sources of data, as well as secondary sources of data, have been used. In the course of doing this project, came to know that the banks are highly preferred by the customers but their satisfaction and preferences are different up to some extent towards the service of these banks.

## CHAPTER-III

### ANALYSIS AND INTERPRETATION

#### INTRODUCTION

The term analysis refers to the computation of certain measures along with searching of patterns of relationship that exist among data groups. After collection of data, the data has to be processed and analyzed in accordance with the time of developing the research plan. Interpretation refers to the task of drawing interpretations from the collected facts after an analytical and or experimental meaning of research findings.

#### TOOLS USED FOR ANALYSIS

The collected data were analyzed and interpreted properly to find the results of the research work. Conventional tools were used for the purpose of analysis.

- Simple Percentage analysis
- Rank analysis
- Weighted average analysis
- Chi- Square analysis

#### 4.1 SIMPLE PERCENTAGE ANALYSIS

Simple percentage analysis is one of the basic statistical tool which is widely used in the analysis and interpretation of the primary data. It deals with the number of respondents response to a particular question in percentage arrived from the total population selected for the study.

**TABLE 4.1.1**  
**GENDER OF THE RESPONDENTS**

S.N O	GENDER	NO. OF RESPONDENTS	PERCENT AGE
1	Male	53	36.55 %
2	Female	92	63.45 %
	<b>Total</b>	<b>145</b>	<b>100 %</b>

Source: Questionnaire

##### INTERPRETATION:

It is observed from the above table 63.45% of them are belongs to Female and the remaining 36.55% of them are Male.

##### INFERENCE:

Majority 63.45% of the respondents are belonging to Female.

**TABLE 4.1.3**  
**PROBLEMS FACING REGARDING HDFC BANK**

S.N O	PROBLEMS	NO. OF RESPONDENTS	PERCENT AGE
1	Timelines	18	12.41 %
2	Customer Relationship	26	17.93 %
3	Poor communication	24	16.55 %
4	Net Banking	46	31.72 %
5	Interest package	31	21.38 %

	<b>TOTAL</b>	<b>145</b>	<b>100 %</b>
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Source: Questionnaire

##### INTERPRETATION:

It is observed from the above table that 31.72% of the respondents stated net banking, 21.38% of the respondents stated interest package, 17.93% of the respondents stated customer relationship, 16.55% and 12.41% of the respondents stated poor communication and timeliness.

##### INFERENCE:

Majority 31.72% of the respondents stated net banking.

**TABLE 4.1.4**  
**CUSTOMER RECOMMEND HDFC BANK TO OTHERS AS A PREFERRED BANKING CHOICE**

S.N O	FACTORS	NO. OF RESPONDENTS	PERCENT AGE
1	Never	8	5.52 %
2	Rarely	49	33.79 %
3	Sometimes	76	52.41 %
4	Often	12	8.28 %
	<b>TOTAL</b>	<b>145</b>	<b>100 %</b>

Source: Questionnaire

##### INTERPRETATION:

It is inferred from the above that 52.41% of the respondents prefer sometimes, 33.79% of the respondents prefer rarely, 8.28% and 5.52% of the respondents prefer often and never respectively.

##### INFERENCE:

Majority 52.41% of the respondents prefer sometimes.

#### 4.2 RANK ANALYSIS

Under this method the respondents are asked to rank the choices. This method is easier and faster. In this study the respondents are asked to rank the various factors regarding the

appearance and physical facility of the HDFC banks in Coimbatore city and the respondents are used to rank as 1,2,3,4 and 5. It does not matter way the item are ranked, item number one may be the longest or it may be the smallest.

The score of each expectation of 145 respondents were totaled and the total score has been arrived. Final ranking has been based on the total score and their ranks are given in the following table

### 4.3 WEIGHTED AVERAGE ANALYSIS

Under this method, the respondents are asked to rank their choice. This method Involves ranking of the items given. To secure a ranking of all items involved, the total of the weights which are given to each items. The heightened weighted score is ranked first and correspondingly the other ranks are assigned.

TABLE 4.3.1

#### LEVEL OF CUSTOMER SASTISFACTION

FACTORS	1	2	3	4	5	TOTAL	MEAN SCORE
Services that are offered by HDFC Net and Mobile banking .	49 24 5	74 29 6	21 63	1 2	0 0	145 606	4.49
Products and services offered by HDFC Bank	27 13 5	91 36 4	25 75	1 2	1 1	145 577	4.27

Responds given to your queries by bank on time.	26 13 0	80 32 0	36 10 8	3 6	0 0	145 564	4.18
Dealing of the HDFC Bank officials	30 15 0	80 32 0	27 81	6 1 2	2 2	145 565	4.19
HDFC Bank when it comes to maintaining the good customer relationship	35 17 5	79 31 6	24 72	5 1 0	2 2	145 575	4.25
Overall satisfaction level when it comes to HDFC Bank	43 21 5	71 28 4	24 72	4 8	3 3	145 582	4.31

Source: Questionnaire

#### INTERPRETATION:

The above table shows the various satisfaction levels towards HDFC banks. The highest mean score rises 4.49 for the net and mobile banking.

### 4.4 CHI- SQUARE ANALYSIS

A statistical test used to determine the probability of obtaining the observed by chance,

under a specific hypothesis. It is used to test if the standard deviation of a population is equal to the specific value. Chi square is a statistical significance test based on the frequency of occurrence, it is applicable both to qualitative and quantitative variables. Among its many uses, the most common are tests of hypothesized probabilities or probability distributions, statistical dependence or independence and common population. A chi-square test is any statistical hypothesis test in which the test statistic has a chi-square distribution if the null hypothesis is true.

**TABLE 4.4.1**

**RELATIONSHIP BETWEEN GENDER AND THE REASONS THAT ATTRACT THE RESPONDENTS TO CHOOSE HDFC BANK**

GENDER	REASONS THAT ATTRACT CUSTOMER				TOTAL
	BRAND	QUALITY	TRUSTWORTHY	CUSTOMER SERVICE	
Male	9	20	14	10	53
Female	26	19	29	18	92
<b>TOTAL</b>	35	39	43	28	145

**Source:** Questionnaire

#### **HYPOTHESIS:**

There is no significant between Gender of the respondents and Reasons that attract the respondents to choose HDFC bank.

#### **CHI- SQUARE TEST**

FACTOR	CALCULATION VALUE	Df	TABLE VALUE	REMARKS
Gender	5.726 <sup>a</sup>	3	7.81	Rejected

#### **INTERPRETATION:**

The calculated value of Chi-Square is less than the table value. Hence the hypothesis is rejected stating that there is no significant relationship between Gender and reasons that attract the respondents to choose HDFC bank.

#### **CHAPTER-IV**

#### **FINDINGS, SUGGESTIONS AND CONCLUSION**

#### **5.1 FINDINGS OF THE STUDY**

##### **I. SIMPLE PERCENTAGE ANALYSIS**

- Majority 63.45% of the respondents are belonging to Female.
- Majority 31.72% of the respondents stated net banking.
- Majority 52.41% of the respondents prefer sometimes.

##### **II. RANK ANALYSIS**

- From the ranking analysis, it was found that Bank has modern-looking equipment and fixtures ranks I, Operating counters are easily accessible ranks II, Basic amenities facilities ranks III and Brochures, Passbook, Debit and Credit cards, Cheque books are visually appealing ranks IV and Notice Boards have proper information ranks V.

##### **III. WEIGHTED AVERAGE ANALYSIS**

- The weighted average analysis shows the various satisfaction levels towards HDFC banks. The highest mean score rises 4.49 for the net and mobile banking.



#### IV. CHI- SQUARE ANALYSIS

- The calculated value of Chi-Square is less than the table value. Hence the hypothesis is rejected stating that there is no significant relationship between Gender and reasons that attract the respondents to choose HDFC bank.
- The calculated value of Chi-Square is more than the table value. Hence the null hypothesis is rejected and alternative hypothesis is stating that there is a significant relationship between occupational status and type of account hold by the respondents.

#### 5.2 SUGGESTIONS

- Providing great self-service support and segment the client base to create personalized customer experience.
- The bank should stay consistent across all points and educate the customers on financial literacy.
- The bank should offer the customers to open the account in just 1000/- rupees as a minimum balance..

#### 5.3 CONCLUSION

Indian banking market is growing rapidly. HDFC bank had a several network branches and automated machines among all the cities in India to serve the customers. Especially in Coimbatore city there are many people are aware about HDFC bank and with 71 branches in Coimbatore. The majority of the customer are satisfied but the bank should target on the rest of the customers who were not satisfied. The customer are aware about the bank's products and services but the bank should try to create more awareness among people through advertisement and other media. The bank focuses more on customer satisfaction, makes improvements in sales techniques, an increase in quality of the products and services related activities and a little modification to the

existing portfolio which help HDFC Bank to capture a larger market in India.

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#### WEBSITES

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