

**“A STUDY ON CONSUMER SATISFACTION
TOWARDS VARIOUS FACILITIES PROVIDED
BY SAURASHTRA GRAMIN BANK”**

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ABSTRACT

This study looks at how satisfied customers are with Saurashtra Gramin Bank's services, emphasizing their usefulness, accessibility, and caliber. The study intends to evaluate the bank's effectiveness in fulfilling the expectations of its rural clients and to pinpoint the major elements affecting customer satisfaction. While pointing out areas that require improvement, such the adoption of digital banking and grievance redressal procedures, the findings also show notable levels of satisfaction in areas like fundamental banking services, loan rates, cleanliness and hygiene, service charges, and customer assistance. A sample size of 100 respondents was taken into consideration. ANOVA single factor is used for the hypothesis testing. The outcome demonstrates that client happiness and the different services offered by the bank are significantly correlated. Additionally, this survey shows that customers are happier with responsiveness.

Key words: Consumer Satisfaction, Rural Banking, Banking Services,

INTRODUCTION

Banks play a key role in the entire financial system by mobilizing deposits from households spread across the nation and making these funds available for investment, either by lending or buying securities. Today the banking industry has become an integral part of any nation's economic progress and is critical for the financial wellbeing of individuals, businesses, nations, and the entire globe. For the past three decades India's banking system has several outstanding achievements to its credit.

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The most striking thing is its extensive reach. Now it is no longer enclosed to only metropolitans or cosmopolitans in India. Customer satisfaction is a crucial determinant of success for financial institutions, particularly in rural banking, where customer expectations are diverse and often distinct from urban areas.

CONCEPTUAL FRAMEWORK

The relationship between customer satisfaction and banking facilities is fundamental, as the quality, accessibility, and efficiency of these facilities directly impact a customer's experience. Satisfied customers are more likely to trust the bank, utilize its services, and remain loyal. Banking facilities such as account services, loan schemes, digital banking, and customer support significantly influence perceptions of convenience, reliability, and value. When these facilities align with customer expectations and needs, satisfaction levels increase, fostering long-term relationships and enhancing the bank's reputation. Conversely, inadequate or inefficient facilities can lead to dissatisfaction, reducing trust and customer retention. Thus, providing high-quality banking facilities is essential for achieving and maintaining customer satisfaction.

BANKING SERVICES OFFERED BY THE BANK:

1. SAVING DEPOSIT:

- The facility of Savings Bank Account is meant for cultivating the habit of saving by the individuals for their future needs.
- The transactions in the SB Account should be of non-business and non-commercial nature.
- Rate of Interest – 2.75% p.a. up to Rs. 1,00,000, 2.90% p.a. above Rs. 1,00,000 fixed by Bank on daily product basis.(Quarterly Compounded)

2. **CURRENT ACCOUNT:** Convenient for businesspeople, traders etc., to have Current Account. Withdrawals and deposits can be made in Current Account at any number of times. Current Account is not for saving or earning interest unlike Savings Bank. Convenience of the customer in parking his liquid funds for any time withdrawal is the primary objective.

3. **FIXED DEPOSITS:** Fixed Deposits (or Term Deposits) are accepted for any period between 7 days to 10 years) with attractive interest rates. Any number of Term Deposit Accounts can be opened with auto renewal facility.

4. **GOLD LOAN:**

- Eligibility: Applicant who is major must be Resident of our service area village/town, preferably existing customer or reputed and known to the Bank fulfilling KYC Norms having saving bank A/c with the Bank.
- Rate of Interest : 8.60% (Approx.)
- Repayment Period: For CC/OD:- within 12 months. Limit Renewable every year.
- For DL: Repayment should be made within 3 years in monthly/Quarterly/Half Yearly/Yearly instalments coinciding with the harvesting & Marketing seasonal generation of income from the business Activity.

5. **HOME LOAN:**

- Eligibility: Individual with independent having age is over 21 to 70 years who have availed Housing Loan, and the account is running.
- Purpose: Any purpose other than speculative.
- Rate of Interest: Interest rate starts from 9.80% (Card rate of Housing loan +1%) on the basis of CIBIL Report score, LTV Ratio and profile of the borrower.
- Repayment Period: Maximum repayment period upto 25 years

6. **SME SPECIAL:**

- Eligibility: To be eligible, the business or unit must have been operational for at least the last 3 years and should have a profitable track record. In certain cases, new units may be considered based on their creditworthiness, net worth, and market reports.

- Interest Rates: For loan amounts up to 2.00 lakhs, the interest rate is 11.25%. For loan amounts above 2.00 lakhs up to 5.00 lakhs, the interest rate is 12.00%.
- Repayment Period: For Cash Credit, repayment is on demand and is subject to renewal of the yearly payment. For Term Loans, the repayment period ranges from 39 to 60 months

Literature Review

Sadia Akter, Al-Amin, Mohammad Rakibul Islam Bhuiyan, Tahmina Akter Poli, Rashed Hossain (2023) “Web-Based Banking Services on E-Customer Satisfaction in Private Banking Sectors: A Cross-Sectional Study in Developing Economy”, Bangladesh, Published in Migration Letters Volume 20

This study intends to determine the web-based banking services that are impacting electronic customer satisfaction. Banking services have a substantial transition in the present digital era as a result of technological improvements. Web-based banking services provide customers with ease of conducting financial transactions and accessing banking services remotely. The constructs of web-based banking services include assurance, security, e-learning, service quality, and reliability. IBM SPSS Statistics 29.0 is used by authors for analyzing the demographic values of the respondents. Data was collected from 384 respondents with the help of a questionnaire. According, to the research conducted the results are that assurance, e-learning and service quality have a significant impact on achieving e-customer satisfaction in the private sector banks in Bangladesh.

A.L. Abdul Rahuman, A.R. Mohamed Akram, M. Siraji (2022)“Service Quality and Customer Satisfaction: Evidence from State Commercial Banks in Ampara District, Sri Lanka” Published in Journal of Humanities and Social Sciences Innovation Volume 2 No. 1, 2022

The study focuses on identifying the factors that determine service quality and customer satisfaction. Data was collected from 275 customers in the Ampara district. A conceptual model was developed, classifying factors into human-related and non-human-related categories. Hypotheses were formulated to explore the relationship between service quality and customer satisfaction. Among the determinants of customer satisfaction in the state commercial banking industry, reliability and assurance emerged as the most influential factors. Based on these results, the research recommends that state commercial banks focus their efforts on improving human-related factors to enhance their service quality and attract and retain valuable customers. By investing in areas such as employee training, customer service, and building trust with customers, banks can elevate their overall service quality and gain a competitive advantage in the market.

Hoang-Tien Nguyen, Tran Hong Son, Din Ba Hung Anh, Nguyen Minh Duc (2021) “Factors Affecting Customer Satisfaction on Service Quality at Joint Stock Commercial Banks in Vietnam” Published in Journal of Critical Reviews Volume 8, Issue 2, April 2021

This study's main goal is to answer the practical need of getting a sizable client base to use Bac A Bank's services and conduct transactions. Dominating market share, optimizing overall performance, and maximizing the area's prospective market are the goals. The study's main goal was to find out how customer satisfaction with Bac A Bank's service quality was affected by five factors: responsiveness, empathy, service capacity, reliability, and tangible means. 200 customers participated in the survey and were interviewed using questionnaires; a non-probability sampling technique was used to choose the sample based on convenience. The study used SPSS software for data analysis and a 5-level Likert scale to measure the variables.

Thara S Shetty, Sathvika H Shetty (2019) “Customer Satisfaction Towards Banking Services with Reference to Corporation Bank” Published in International Journal of Social and Economic Research Volume 9, Issue 3, 2019

The ability of banks to offer effective services to clients nationwide has been made possible by the combination of government initiatives and technology developments. In this regard, a study was carried out to evaluate the degree of difficulties encountered by bank clients and their contentment with the financial services provided by Corporation Bank, Kodialbail Branch, Mangalore. One hundred bank clients who worked at Besant Institutions were contacted for the study. A questionnaire was used to gather the data, and the results emphasized a number of important points. Interestingly, 66% of those surveyed said they had issues using their bank accounts. Notwithstanding the difficulties, an increasing trend toward digital banking services is indicated by the fact that 63% of respondents had online banking facilities.

Dr. Abdul Khalique Talukder (2018) “A Study of Service Quality of Commercial Banks and Customer Satisfaction in Dimapur District” Published in International Journal of Research and Analytical Reviews Volume 5, Issue 3, July 2018

Quality and satisfaction turn out to be important variables that are causally and cyclically related to one another. In order to improve customer satisfaction, commercial banks must be more customer-focused, learn what influences customer satisfaction, and figure out how to maximize service quality. In addition, banks need to remember that technology has an impact on what they offer, how they offer it, and what customers actually desire. Using a sample of 500 respondents who are bank customers, the study aims to assess and contrast the service quality and customer satisfaction of public and private banks in the districts of Dimapur and Kohima in Nagaland state. Responses to 25 questions about the tangible aspects of service quality.

RESEARCH METHODOLOGY

The research is based on Primary data and the data was collected using structured questionnaire. The study was conducted on the consumers satisfaction which they derived from using various facilities which were provided by Saurashtra Gramin Bank.

RESEARCH OBJECTIVES

PRIMARY OBJECTIVE

- To assess the overall satisfaction levels of customers with the diverse facilities offered by the bank.

SECONDARY OBJECTIVES

- To identify the key factors that significantly influence customer satisfaction across these facilities.
- Explore the relationship between customer demographics, usage patterns, and levels of satisfaction.
- Provide actionable insights and recommendations to the bank for enhancing service quality and meeting customer expectations.

RESEARCH DESIGN

Descriptive Research Design is being used for this research.

DATA COLLECTION METHODS

Primary Data Collection

It is collected through structured Questionnaire from Customers who are actively opting for facilities provided by Bank.

Secondary Data Collection

It is collected from Books, Journals, Internet, Past Report, Public Report, etc.

SAMPLING PLAN

Sampling Size

For this project research, a sample size of 100 participants is taken into consideration.

Sampling Method

The Non-Probability Convenience Sampling Method is used.

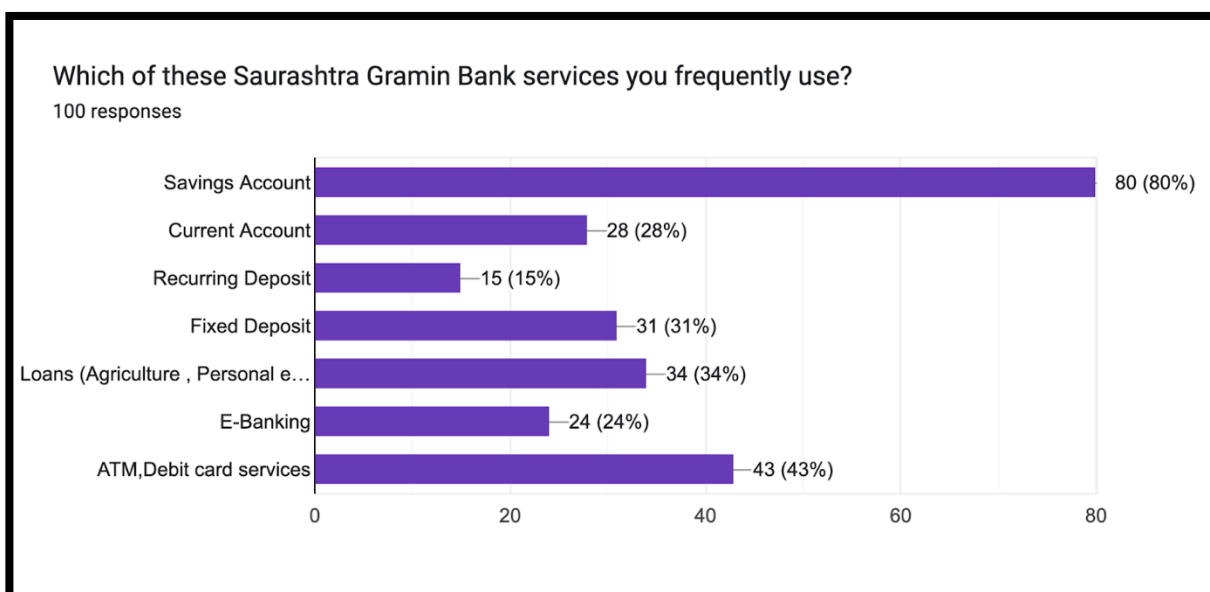
DATA ANALYSIS AND INTERPRETATION

6) Which of the following services do you frequently use?

(Table No. 1: Banking Services)

Particular	No. of Responses
Savings Account	80%
Current Account	28%
Recurring Deposit	15%
Fixed Deposit	31%
Loans (Agriculture, Personal etc.)	34%
E-Banking	24%
ATM, Debit card service	43%

(Chart No. 1: Banking Services)



Interpretation: The responses show a mix of high, moderate, and relatively lower usage of different banking services offered. Services like savings accounts, fixed deposits, and ATM services have garnered higher usage among the respondents, while other services like recurring deposits and e-banking show moderate levels of usage.

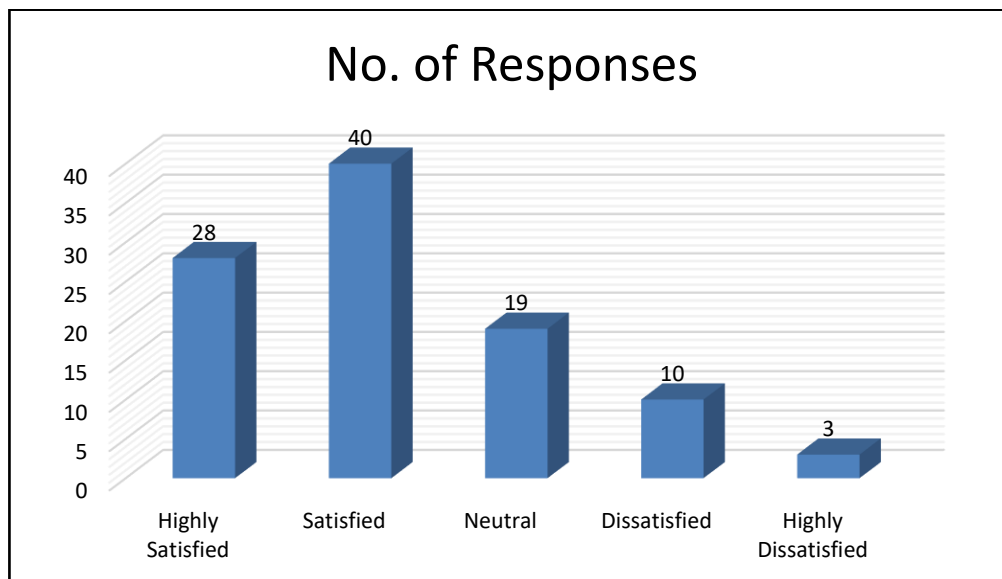
9. Please rate your satisfaction level of the following facilities provided by the bank:

A) Interest rate of Deposits

(Table No. 2: Interest Rate of Deposits)

Satisfaction Level	No. of Responses
Highly Satisfied	28
Satisfied	40
Neutral	19
Dissatisfied	10
Highly Dissatisfied	03

(Chart No. 2: Interest Rate of Deposits)



Interpretation :

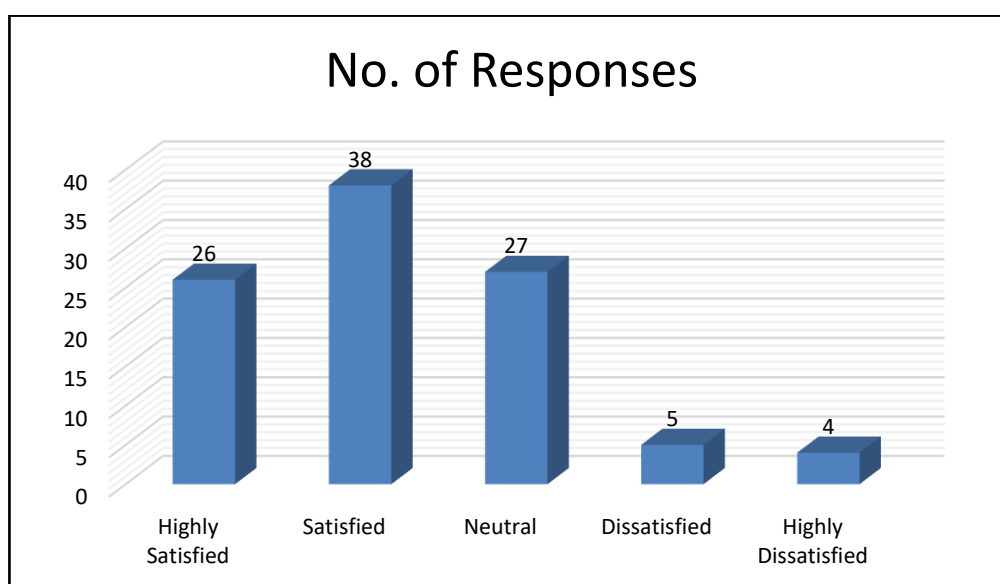
The data indicates that 68% of the respondents (Highly Satisfied and Satisfied) are content with the interest rates offered on deposits by the bank. 19% of respondents hold Neutral views, suggesting that a portion of respondents may not have strong opinions about the interest rates. On the contrary, there is a notable percentage expressing dissatisfaction, including both Dissatisfied and Highly Dissatisfied responses, accounting for 13% of the total.

B) Interest rate of Loans

(Table No. 3: Interest Rate of Loan)

Satisfaction Level	No. of Responses
Highly Satisfied	26
Satisfied	38
Neutral	27
Dissatisfied	05
Highly Dissatisfied	04

(Chart No. 3: Interest Rate of Loan)



Interpretation :

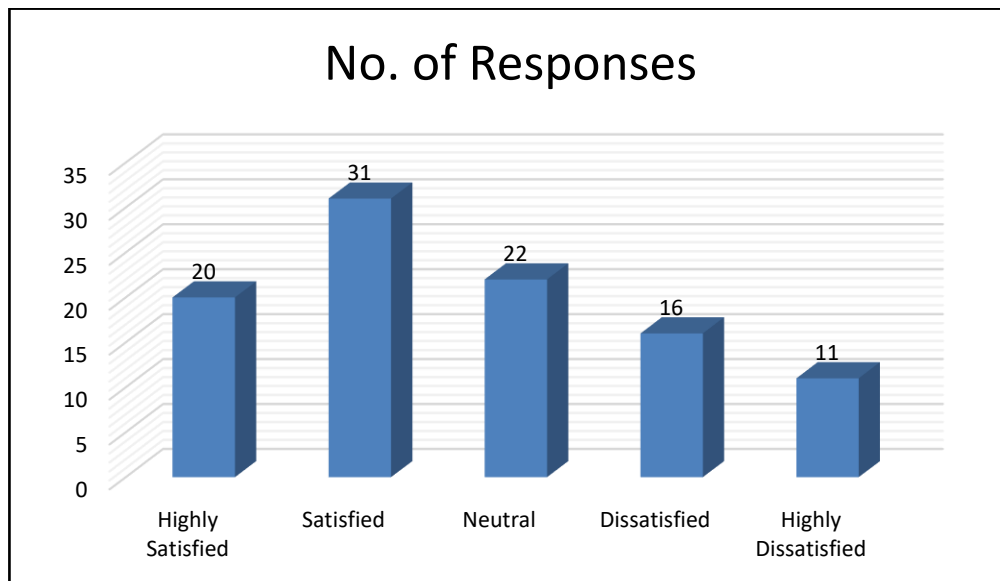
It can be observed from the chart that 64% of the respondents (Highly Satisfied and Satisfied) are content with the interest rates applied to loans by the bank. A substantial 27% of respondents hold a Neutral stance, implying that they may not have strong opinions about the interest rates. Conversely, there is a smaller percentage expressing dissatisfaction, encompassing both Dissatisfied and Highly Dissatisfied responses, amounting to 13% of the total. This indicates that a significant portion of respondents are satisfied with the interest rates on loans.

C) Services charges

(Table No. 4: Services Charges)

Satisfaction Level	No. of Responses
Highly Satisfied	20
Satisfied	31
Neutral	22
Dissatisfied	16
Highly Dissatisfied	11

(Chart No. 4: Service Charges)



Interpretation :

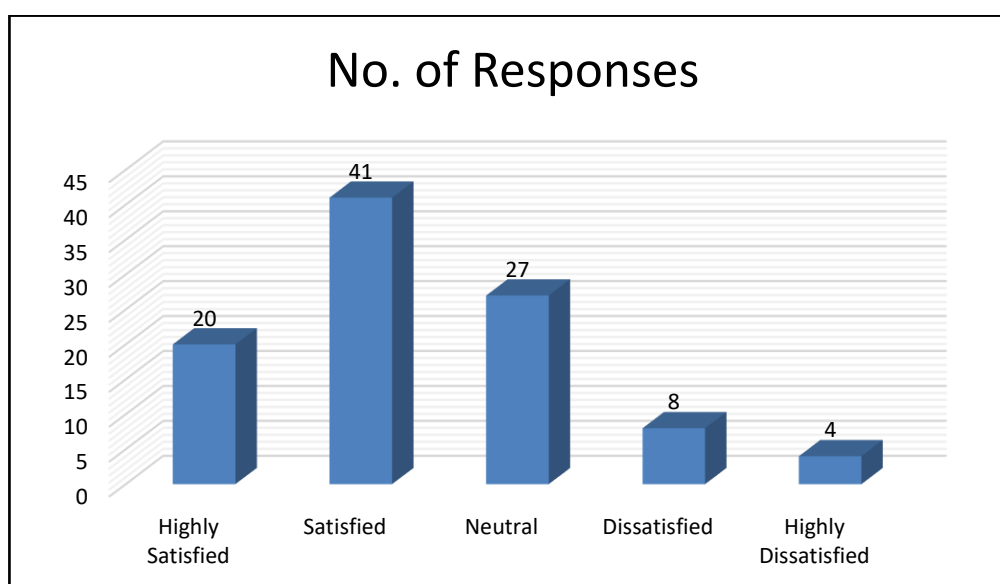
From the data provided, it can be observed that a combined percentage of 51% of respondents express satisfaction with the service charges imposed by the bank. A notable 22% of respondents hold a Neutral stance. On the other hand, there is a sizeable percentage expressing dissatisfaction, comprising both Dissatisfied and Highly Dissatisfied responses, totalling 27% of the total, which suggests there is a notable need for addressing the concerns of those who are dissatisfied with the charges being applied.

D) Response of Staff

(Table No. 5: Response of Staff)

Satisfaction Level	No. of Responses
Highly Satisfied	20
Satisfied	41
Neutral	27
Dissatisfied	08
Highly Dissatisfied	04

(Chart No. 5: Response of Staff)



Interpretation :

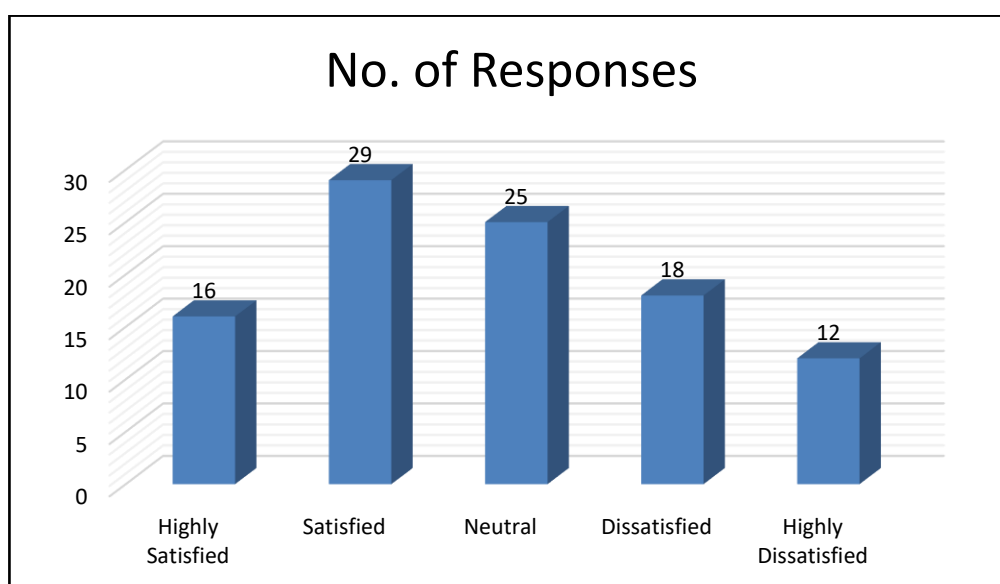
Based on the data provided, it can be inferred that a combined percentage of 61% of respondents (combining Highly Satisfied and Satisfied) are satisfied with the response of the bank's staff. A significant number of respondents, 27%, hold a Neutral viewpoint, indicating that they might not have strong opinions about the behavior of the staff. On the other hand, there is a relatively lower percentage expressing dissatisfaction, comprising both Dissatisfied and Highly Dissatisfied responses, totaling 12% of the total. Overall, the majority of respondents seem to be satisfied with the interaction they have with the bank's staff.

E) Cleanliness & Hygiene

(Table No. 6: Cleanliness and Hygiene)

Satisfaction Level	No. of Responses
Highly Satisfied	16
Satisfied	29
Neutral	25
Dissatisfied	18
Highly Dissatisfied	12

(Chart No. 6: Cleanliness and Hygiene)



Interpretation :

It can be observed that a combined percentage of 45% of respondents are satisfied with the cleanliness and hygiene of the bank. About 25% of the respondents hold a Neutral viewpoint,. On the other hand, there is a noticeable percentage expressing dissatisfaction, totaling 30% of the total. Overall, the data suggests that there is room for improvement in maintaining higher standards of cleanliness and hygiene according to the preferences of the customers.

HYPOTHESIS TESTING

H0: There is no significant relationship between the facilities provided by Saurashtra Gramin Bank and customer satisfaction levels.

H1: There is a significant positive relationship between the facilities provided by Saurashtra Gramin Bank and customer satisfaction levels.

ANOVA: SINGLE FACTOR

SUMMARY

<u>Groups</u>	<u>Count</u>	<u>Sum</u>	<u>Average</u>	<u>Variance</u>
Interest rate of Deposits	100	192	1.92	0.619
Interest rate Of Loans	100	211	2.11	0.684
Service charges	100	212	2.12	0.732
Response of Staff	100	215	2.15	0.613
Cleanliness & Hygiene	100	232	2.32	1.068

ANOVA

<u>Source of Variation</u>	<u>SS</u>	<u>df</u>	<u>MS</u>	<u>F</u>	<u>P-value</u>	<u>F crit</u>
Between Groups	8.092	4	2.023	2.719	0.029	2.389
Within Groups	368.22	495	0.743			
Total	376.312	499				

INTERPRETATION:

At 0.05% Significance Level using ANOVA Single Factor, the ANOVA Calculated value is 2.719 while the ANOVA Table value is 2.389. So, over here Anova Calculated value is more than ANOVA Table value.

Hence, I conclude that H1 is accepted and H0 is rejected.

From ANOVA, it can be interpreted that there is a significant positive relationship between the facilities provided by Saurashtra Gramin Bank and Customer Satisfaction.

FINDINGS

- Out of total respondents most of them have a monthly income of less than 20000 which makes them use the savings account banking system more frequently.
- According to the survey mostly the respondents are male and among them maximum are farmers because of which they are highly satisfied with the facilities they are receiving from the side of the bank.
- More than 60 respondents are satisfied with the fund transfer service, more than 50 respondents are satisfied with ATM and debit card services, and more than 30 people are satisfied with online and mobile banking services of the bank.
- Most of customers are satisfied with the interest rate of deposit and loans and response of staff, while many people are dissatisfied with service charges and hygiene and cleanliness.
- As per the survey only a small portion of the respondents have given below-average rating to the services provided by staff.
- According to the research around 50% of the respondent's experience challenges while using ATM services as their education qualification is high school or less.
- The main reason for around 33 respondents using the services of the bank is their lower interest in loans.

- Most of the respondents agree that bank provides wide range of products and services, bank's online banking platform is user-friendly, and bank provides clear information about fees, while many respondents are not satisfied with the ability of bank to resolve the inquiries.
- Around 60% of the respondents overall satisfied with the services and would recommend others about the bank.
- According to the Results generated from ANOVA and the rejection of null hypothesis, it can be concluded that there is a significant relationship between the facilities provided by Saurashtra Gramin Bank and customer satisfaction levels.
- As per survey, it can be concluded that Saurashtra Gramin Bank is getting positive response from their customers & respondents about the facilities provided by them. Based on the results of the survey, I recommend that the bank should Invest in user-friendly mobile banking and internet banking apps.
- In addition, Bank should also consider taking less service charges from their customers. It would be highly favorable for the bank to train their staff to monitor and resolve the queries and complaints of the customers in a satisfactory manner.
- Improving customer satisfaction is crucial for any bank's success. So, I would like to recommend the above suggestions that Saurashtra Gramin Bank can implement to enhance customer satisfaction with the various facilities provided by them.

LIMITATION OF THE STUDY:

- Most of the respondents were hesitating while replying to few of the questions so it becomes a limitation of the study.
- The study focused on Saurashtra Gramin Bank's customer base and may not be applicable to other banks or regions due to varying contextual factor.
- The sampling size is only 100 units.
- The criteria of respondents responded are not equal, they vary from each other.

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