

An Empirical Study on Customer's Satisfaction towards Banking Services of State Bank of India in Gujarat

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ABSTRACT

State Bank of India's (State Bank of India) Customer satisfactions has emerged as an important segment of overall development of State Bank of India and so far has delivered value to the customers. We classified customer satisfaction into three categories: Not Agree as 0, Neutral as 1 and Agree as 2 to the service satisfaction. Here we studied assess whether there are difference in each of these State Bank of India customer satisfaction perception by Gender and provided Up-gradation of technology by State Bank of India. Three separate logistic regression analysis are conducted on 100 SBI customer of Gujarat.

Key Words:banking service.

INTRODUCTION

G.S. Sureshchandar (2002) has studied the relationship between service quality and customer satisfaction – a factor specific approach. They view customer satisfaction as a multi dimensional construct. Service quality and customer satisfaction are inarguably the two core concepts that are at the crux of the marketing theory and practice (Spreng and Mackoy, 1996). Sergio Zani, Lara Berziera (2008) has studied the measuring customer satisfaction using ordinal variables: an application in a survey on a contact center. In today's world of intense competition, the key to sustainable competitive advantage lies in delivering high quality service that will in turn result in satisfied customers (Shemwell et al., 1998). The overall satisfaction may be measured by a single direct question or by several manifest variables relating to the different domains of satisfaction (Montinaro and Chirico, 2006). These variables are often on ordinal scale with different numbers of categories (Likert scale with 5 modalities, scores from 1 to 5, and so on) (De Luca, 2007). Generally, the responses to the items are scored 1, 2, 3, 4, and 5 (for Likert scales) and so on, to indicate increasing levels of customer satisfaction. In this paper we focused on customer perception of State Bank of India. This paper deals with the problem of measuring the perception of public service quality of SBI.

OBJECTIVES OF THE STUDY

The main purpose of this study is to evaluate customer satisfaction of banking service in the State Bank of India.

The main objectives of the present study are as follows:

1. To develop a profile of SBI Customers of Gujarat
2. To examine the various services provided by SBI in Gujarat.
3. To study the customer satisfaction towards the services of up gradation by the SBI banks in Gujarat.
4. To do detailed frequency analyses of Customers
5. To analyzed the customer satisfaction to the service of State Bank of India.
6. To compare the customer which group is more satisfy among gender.

HYPOTHESIS OF THE STUDY

The study is based on the formulation of the following hypotheses:

H₀: There is no significant difference between Gender category and level of satisfaction towards service provided by State bank of India in Gujarat.

H₀: There is no significant difference between Up-gradation and level of satisfaction towards service provided by State bank of India in Gujarat.

Method of Data Collection:

The study depends on primary data. Questionnaires have been used to collect the needed particulars. Questions related to the objectives have been framed after consulting experts. Based on the information gathered through a pilot study, the structure of the questionnaire has been restructured.

Selection of Sample Customers for Opinion Survey:

This study has attempted to elicit the effect of demographic variables on SBI Customers behavior of the Gujarat. We collected primary data from the customer’s living in Gujarat during the period Jan. 01, 2017 to Dec. 31, 2017 through a Structured Questionnaire. At random, a nominal number of 100 customers were identified though it forms an inadequate sample size. Finally their socio economic profiles were examined besides eliciting and analyzing their opinions on the SBI. Out of the 110 respondents selected, 10 respondents did not respond and the balances of 100 were included in the study. They represent different socio-economic backgrounds. All the respondents selected under convenient sampling method were interviewed with a simple questionnaire during the period from Jan. 01, 2017 to Dec. 31, 2017. We ask customer whether you agree that State Bank of India of Gujarat adopt technology Up-gradation into two categories: Not Agree as 1 and Agree as 2. Table-1 reveals that 40% customers are satisfy with State Bank of India services. 55% customers are Female and 45% customers are Male. 74% customers are Agree that State Bank of India adopt technological Up-gradation.

Table-1: Case Processing Summary of State Bank of India’s Customer

	Category	N	Marginal Percentage
Satisfaction	0	25	25.0%
	1	35	35.0%
	2	40	40.0%
Gender	1	45	45.0%
	2	55	55.0%
Up-gradation	1	26	26.0%
	2	74	74.0%
Valid		100	100.0%
Total		100	-
Subpopulation		4	-

We take satisfaction as a dependent variable and Gender & Up-gradation as independent variable. Further we apply multiple logistic regression models. The model fitting information is given in Table-2.

Table-2: Model Fitting Information

Model	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	28.137			
Final	27.358	.779	4	.04

From, Table-2 we get Chi-square value 0.779 with p-value 0.04. It leads us to conclude that at least one of the regression coefficients in the model is not equal to zero.

The estimated Multiple Logistic Regression Coefficients for not Satisfied Customer to Neutral Customer of State Bank of India, Gujarat models are shown in Table-3.

Table-3: Parameter Estimates of Multiple Logistic Regression Model on Satisfied with SBI service

Satisfaction (Satisfied with SBI service)		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
Not Satisfied	Intercept	- 0.440	0.409	1.157	1	0.282			
	Male	2.19	0.536	16.694	1	0.0004	8.935	0.398	3.253

	Not Agree with Up-gradation of Technology in SBI services	0.372	0.640	0.338	1	0.002	1.451	0.196	2.417
Neutral	Intercept	-0.235	0.381	0.382	1	0.537			
	Male	0.161	0.491	0.108	1	0.742	1.175	0.449	3.079
	Not Agree with Up-gradation of Technology in SBI services	0.109	0.543	0.040	1	0.841	1.115	0.385	3.234
a. The reference category is: 2.00 (Satisfied with SBI service)									

With regard to comparison of Satisfied with SBI service with not satisfied with SBI services, there are Statistically Significant difference between Male and Female (p-value = 0.0004) and Customers who Agree and Not Agree with Up-gradation of Technology in State Bank of India-Gujarat (p-value = 0.002) at 5% level of significance value. Male Customers are nearly 9 times more likely to Satisfied with SBI service.

With regard to comparison of Satisfied with SBI service with Neutral with SBI services, there are no Statistically Significant difference between Male and Female (p-value = 0.742) and Customers who Agree and Not Agree with Up-gradation of Technology in State Bank of India-Gujarat (p-value = 0.841) at 5% level of significance value.

The multiple logit for male compares to female is 2.19 for preferring not satisfies with SBI services to satisfy with SBI services. Male are more likely than females to prefer not satisfied with SBI service to Satisfies with SBI service. The multiple logit for Not Agree customer with Up-gradation of Technology in SBI services compares to agree with Up-gradation of Technology in SBI services is 0.372 for preferring not satisfies with SBI services to satisfy with SBI services. Not Agree customer with Up-gradation of Technology in SBI are more likely than agree with Up-gradation of Technology in SBI to prefer not satisfied with SBI service to Satisfies with SBI service.

The multiple logit for male compares to female is 0.161 for preferring Neutral with SBI services to satisfy with SBI services. Male are more likely than females to prefer Neutral with SBI service to Satisfies with SBI service. The multiple logit for Not Agree customer with Up-gradation of Technology in SBI services compares to agree with Up-gradation of Technology in SBI services is 0.109 for preferring Neutral with SBI services to satisfy with SBI services. Not Agree customer with Up-gradation of Technology in SBI are more likely than agree with Up-gradation of Technology in SBI to prefer Neutral with SBI service to Satisfies with SBI service.

The estimated Multiple Logistic Regression Coefficients for Neutral Customer to Satisfied Customer of State Bank of India, Gujarat models are shown in Table-4.

Table-4: Parameter Estimates of Multiple Logistic Regression Model on not Satisfied with SBI service

Satisfaction (Not Satisfied with SBI service)	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
							Lower Bound	Upper Bound
Neutral	Intercept	.205	.428	0.229	1	0.632		
	Male	1.91	.551	7.660	1	0.008	6.753	.351 3.045
	Not Agree with Up-gradation of Technology in SBI services	.482	.654	0.542	1	0.462	1.619	.449 5.834
Satisfied	Intercept	.440	.409	1.157	1	0.282		
	Male	0.08	.536	4.	1	0.030	1.083	.307 2.515

Not Agree with Up-gradation of Technology in SBI services	.372	.640	0.338	1	0.001	1.451	.414	5.090
a. The reference category is: 0.00. (Not Satisfied with SBI service)								

With regard to comparison of Satisfied with SBI service with Neutral with SBI services, there are Statistically Significant difference between Male and Female (p-value = 0.008) and there are no Statistically Significant difference between Customers who Agree and Not Agree with Up-gradation of Technology in State Bank of India-Gujarat (p-value = 0.462) at 5% level of significance value. Male Customers are nearly 7 times more likely to Satisfied with SBI service.

With regard to comparison of Satisfied with SBI service with Neutral with SBI services, there are Statistically Significant difference between Male and Female (p-value = 0.030) and between Customers who Agree and Not Agree with Up-gradation of Technology in State Bank of India-Gujarat (p-value = 0.001) at 5% level of significance value.

The multiple logit for male compares to female is 1.91 for preferring Neutral with SBI services to not satisfy with SBI services. Male are more likely than females to prefer not satisfied with SBI service to Satisfies with SBI service. The multiple logit for Not Agree customer with Up-gradation of Technology in SBI services compares to agree with Up-gradation of Technology in SBI services is 0.482 for preferring Neutral with SBI services to not satisfy with SBI services. Not Agree customer with Up-gradation of Technology in SBI are more likely than agree with Up-gradation of Technology in SBI to prefer Neutral with SBI service to not Satisfies with SBI service.

The multiple logit for male compares to female is 0.08 for preferring satisfies with SBI services to not satisfy with SBI services. Male are more likely than females to prefer satisfies with SBI service to not satisfy with SBI service. The multiple logit for Not Agree customer with Up-gradation of Technology in SBI services compares to agree with Up-gradation of Technology in SBI services is 0.372 for preferring satisfies with SBI services to not satisfy with SBI services. Not Agree customer with Up-gradation of Technology in SBI are more likely than agree with Up-gradation of Technology in SBI to prefer satisfies with SBI service to not Satisfies with SBI service.

The estimated Multiple Logistic Regression Coefficients for Neutral Customer to not Satisfied Customer of State Bank of India, Gujarat models are shown in Table-5.

Table-5: Parameter Estimates of Multiple Logistic Regression Model

Satisfaction (Neutral satisfaction with SBI services)		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
Not Satisfied	Intercept	-.205	.428	.229	1	.632			
	Male	-.033	.551	.004	1	.953	.968	.328	2.851
	Not Agree with Up-gradation of Technology in SBI services	0.482	.654	.542	1	0.003	.618	.171	2.227
Satisfied	Intercept	.235	.381	.382	1	.537			
	Male	-.161	.491	.108	1	.742	.851	.325	2.229
	Not Agree with Up-gradation of Technology in SBI services	.109	.543	.040	1	0.04	.897	.309	2.599

a. The reference category is: 1.00. (Neutral satisfaction with SBI services)

With regard to comparison of Neutral with SBI service with Not satisfied with SBI services, there are no Statistically Significant difference between Male and Female (p-value = 0.953) and there are Statistically Significant difference Between Customers who Agree and Not Agree with Up-gradation of Technology in State Bank of India-Gujarat (p-value = 0.003) at 5% level of significance value.

With regard to comparison of Neutral with SBI service with satisfied with SBI services, there are no Statistically Significant difference between Male and Female (p-value = 0.742) and there are Statistically Significant difference Between Customers who Agree and Not Agree with Up-gradation of Technology in State Bank of India-Gujarat (p-value = 0.04) at 5% level of significance value.

The multiple logit for male compares to female is -0.33 for preferring not satisfies with SBI services to Neutral with SBI services. Male are less likely than females to prefer not satisfied with SBI service to Neutral with SBI service. The multiple logit for Not Agree customer with Up-gradation of Technology in SBI services compares to agree with Up-gradation of Technology in SBI services is 0.482 for preferring not satisfies with SBI services to Neutral with SBI services. Not Agree customer with Up-gradation of Technology in SBI are more likely than agree with Up-gradation of Technology in SBI to prefer not satisfied with SBI service to Neutral with SBI service.

The multiple logit for male compares to female is -0.161 for preferring satisfied with SBI services to Neutral with SBI services. Male are less likely than females to prefer satisfied with SBI service to Neutral with SBI service. The multiple logit for Not Agree customer with Up-gradation of Technology in SBI services compares to agree with Up-gradation of Technology in SBI services is 0.109 for preferring satisfied with SBI services to Neutral with SBI services. Not Agree customer with Up-gradation of Technology in SBI are more likely than agree with Up-gradation of Technology in SBI to prefer satisfied with SBI service to Neutral with SBI service.

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