

# Customer's Satisfaction in Banking Services of Canara Bank in Tiruchirappalli District, Tamilnadu

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## Abstract

*This paper measure the level of consumer satisfaction in banking services of Canara Bank in Tiruchirappalli, which is the lead bank of the district. The purpose of the paper is to reveal the customers perception of the bank which would be important for the future growth of the bank. With stiff competition and advancement of technology, the service provided by bank have become more easy and convenient. Altogether around 100 customers satisfaction like employees' behavior, banking services, banking performance, and other value added services. Analysis was made by using various tools like percentage analysis. According to the result, the satisfaction among its employees and take further actions in order to enhance the quality of service. Employee education, customer's beneficial programs and implementation of new features are recommended.*

**Keywords:** Canara Bank, Banking Services, Customer Satisfaction.

## Introduction

The banking industry in India has undergone sea change post-independence. More recently, liberalization, the opening up of the economy in the 1990s and the government's decision to privatize banks by reduction in state ownership culminated in the banking reforms based on the recommendations of the Narasimham committee. The India banking sector is passing through a phase of customer market. The customer have more choices in the choice of their banks. This has led the Indian banking industry to experience difficult times. Customer satisfaction is one of the most important factors in business. When it comes to commercial banks, customer satisfaction level differentiates one bank from another, thus measuring customer satisfaction is exceedingly important. Banking institution across the globe have recognised the importance of customer satisfaction and maintaining enduring relationship with their customers as two crucial parameters leading to increased business profits. At the same time, several banking institution are experiencing increasing level of retail customer dissatisfaction.

Today customers are now becoming increasingly conscious of their rights and are more demanding than ever before. The recent trends show that most of the bank are shifting from a "product – centric model" to a "customer – centric model" since customer satisfaction has become one of the major determination of business growth.

In this context, prioritization of performance and close monitoring of the customer satisfaction are indispensable. This is the reason why banks listen to customer requirements and complaints. Profitable business cannot exist without satisfied customers, especially in service-oriented industries like banks. In this highly competitive environment, studying customer satisfaction in public sector bank is really important. This work focused on Canara bank which is one of the leading sector bank in India. Canara Bank is the lead bank of Tiruchirappalli district. The main purpose of the study is to measure current customer satisfaction level regarding services Canara bank. The research is conducted to reveal customer expectations, which are crucial for the successful growth of the bank. Because personnel influence customer satisfaction, performance of employees of the bank will also be examined. The study can be used to improve quality of service in future.

### Review of Literature

Aravmudhan, v(2014), analysed the relationship among service quality, customer retention and customer satisfaction in Lakshmi Vilas Bank at Tiruchengode town. It examined whether the dimensions of service quality impacts customer satisfaction which eventually leading to customer satisfaction and customer retention. Service quality and customer satisfaction have a positive correlation with customer retention. Hence, the bank provides quality service and also highly satisfies and retains their customers.

### Objectives of study

- To examine the various services provided by Canara bank in Tiruchirappalli District.
- To Study the level of customer satisfaction towards the services provided by Canara bank in Tiruchirappalli District.
- To make suggestions for improving the bank’s customer services.

### Research Methodology

There are 39 branches of Canara bank in Tiruchirappalli district. Samples from customers of Canara bank from 10 branches in Tiruchirappalli. The primary data were analyzed with the help of percentage. A descriptive research design was adopted for the study. It accounts for both primary and secondary data. Primary source of data were collected from customer through structured interview schedule by way of personal interview. Secondary data were collected from books, journals and Websites.

**Table 1 Age Wise Classification of Respondents**

S. No	Demographic variables	No of Respondents	Percentage
1	Up to 25 years	25	25%
2	26 to 35 years	42	42%
3	36 to 50 years	23	23%
4	Above 50 years	10	10%
	Total	100	100

The above table reveals that majority of respondents fall under the age group of up to 26-35 years.

**Table 2 Customer Satisfaction Regarding Canara Bank “Loan Service”**

	1	2	3	4	5	Total
The loan condition that were offered by Canara bank	7	10	6	6	1	30
The quality of information about the loan provided by Canara bank employees	1	4	5	12	8	30

The extent to which employees tried to helpful and interested in solving your problem concerning the loan	2	7	4	11	6	30
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The above table shows that 60 out 100 customers use the service. The average rate is high, with 4 being the highest number in all three categories. The figure does not show any significant point of satisfaction or dissatisfaction, which could mean that Canara bank has a strong and consistent model of providing the service to customer.

**Table 3 Customer Satisfaction Regarding Canara Bank “Online Service”**

	1	2	3	4	5	Total
The usefulness of the service	0	1	6	9	4	20
The simplicity of using the service	0	3	3	10	4	20
The extend to which employee tried to be helpful and interested in solving your problem concerning services	0	2	4	9	5	20

The above table shows that 20 respondents use the “Canara bank online service”. This is the lowest rated service, 13 respondents rated it a good. The respondents find the service simple, with 10 people agreed. The extent to which employees tried to be helpful and interested in solving problems for the respondents is also higher. The service is relatively new and is in constant development, which could mean employees are aware of the up to date changes.

### Conclusions

The aim of the present study was to see the customer’s Satisfaction towards Banking Service of Canara bank in Tiruchirappalli District. The banking sector in India is undergoing drastic changes due to the competition and new technology. The customers are looking for services to enhance his/her satisfaction. On the bright side, most respondents are satisfied with mobile bank service and Canara bank online and find it easy-to-use. Beside, most rated the accessibility of the closest Canara bank branch very high, which means surveyed customers can easily access bank service both online and offline. Respondents also replied very positively on how Canara bank employees are capable of solving client’s problems and rated high the general performance of the bank. It could mean that regardless of some issues, customers are willing to do business with this bank and its services.

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