

CUSTOMERS' ATTITUDE TOWARDS ICICI BANK SERVICES - A STUDY WITH SPECIAL REFERENCE TO UDUMALPET BRANCH.

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INTRODUCTION

Banking industry is highly service-oriented. The banking industry like many other financial service industries facing a rapidly changing market, new technologies, economic uncertainties, severe competition and more demanding customers. These rapid transformations of services in the banking system have leads to the development of a highly competitive and complex market. These developments are compelling the banks to refine their service on a continuous basis in order to cope with the present conditions. This has led the banks to improve the existing services and creation of new services. Widespread use of technology enhanced the customer expectations, specifically on the aspects of speed and quality of service delivery. So the banks are looking for new ways not only to attract but also to retain the customers and gain competitive advantage over their competitors. Thus the customers have become the focal point either to develop or maintain stability in the business.

Banking is a customer oriented services industry, therefore, the customer is the center and customer satisfaction is the differentiating factor. Customer satisfaction, a business term, is a measure of how products and services supplied by a company to meet or exceed the customer expectations. The quality of services rendered by a bank has a significant impact on the mentality of the customers. The relationship between a bank and its customer is not a one-time or temporary relationship, but a relatively permanent and continuing one. Customers expect the banks to be customer centric in all their dealings with the customers. A prompt and efficient customer service is very important for the success of the banking industry. Private banks seem to have satisfied its customers with good services and they have been successful in retaining its customers by providing better facilities than Public Sector Banks. But, still Private Banks need to go a long way to become customer's first preference. So the study on customer satisfaction towards ICICI bank has been carried out with the specific objectives.

ICICI Bank is an Indian multinational banking and financial services company headquartered in Mumbai. ICICI Bank was established by the Industrial Credit and Investment Corporation of India (ICICI), an Indian financial institution, as a wholly owned subsidiary in 1994. The parent company was formed in 1955 as a joint-venture of the World Bank, India's public-sector banks and public-sector insurance companies to provide project financing to Indian industry. The parent company was later merged with ICICI Bank. As of 2014 it is the second largest bank in India in terms of assets and market capitalization. ICICI bank is the India's largest private sector bank with total assets of Rs5,946.42 billion at 31st March 2014 and profit after tax Rs.98.10 billion for the year ended 31st March 2014. It offers a wide range of banking products and financial services for corporate and retail customers through a variety of delivery channels and specialized subsidiaries in the areas of investment banking, life, non-life insurance, venture capital and asset management. The Bank has a network of 3,850 branches and 12,091 ATMs in India, and has a presence in 19 countries as of December, 2014. ICICI Bank is one of the Big Four banks of India, along with State Bank of India, Punjab National Bank and Bank of Baroda.

Objectives of the study

The specific objectives of the study are

- To find out the factors motivating the customers towards ICICI bank.
- To know the customer satisfaction towards the services provided by ICICI bank
- To identify the problems of customers in getting services from ICICI bank

Research Design

The study was aimed to analyses the customers' attitude towards services provided by ICICI bank, Udumalpet branch. The customers of ICICI bank Udumalpet branch constitute the universe of the study. A sample consisting of 150 respondents having bank account with the ICICI Bank were selected for the study by adopting convenient sample method. Primary data

required for the study was collected through well designed questionnaire. The information collected through the questionnaire were carefully reviewed and were consolidated into a master table for the purpose of analysis, the data were further processed through individual tables. Simple percentage analysis, Rank analysis, Scaling technique and Chi square test were used for the analysis.

Hypotheses

H₀₁: There is no significant relationship between gender and level of satisfaction of the respondents.

H₀₂: There is no significant relationship between age and level of satisfaction of the respondents.

H₀₃: There is no significant relationship between occupation and level of satisfaction of the respondents.

H₀₄: There is no significant relationship between place of residence and level of satisfaction of the respondents.

Limitations of the study

- The study is restricted to Udumalpet Town only.
- The attitude of people may change, so the study is valid for specific time period.

Review of literature

Khushpu Agarwal and Manju Baghmar (2014) examined the reasons for having bank account and awareness of customers regarding banking services of Private Sector Banks. The study found that major reason behind opening account in Private Bank is prompt and quality services and Majority of customers are aware about the deposit services of Private Banks. Alagarsamy and Wilson (2013) have made an attempt to analyze the recent banking technology and its impact on the quality of customer services and found that even though the customer is well educated they hesitate to use high technology banking services. Arul (2013) studied "Customer satisfaction with special reference to Dharmapuri Private Banks" and focused on progress of private banking sector in India. The study revealed that customers are satisfied because of the promotional strategies taken by the Private Banks. Doddaraj M.E (2013) studied customer satisfaction towards public and private sector banking services with special reference to the Anantpur District of Andhra Pradesh and found that the private banks are doing well in satisfying the needs of the customers, on the other hand the public sector banks are lacking in attracting more customers. Harsha Vardhan Reddy and Ramana D.V (2013) analysed the performance of the banks based on customer satisfaction, service quality, and other related factors using multivariate statistical techniques and found that the nationalized banks have received almost equal satisfactory response when compared with the private and public sector banks.

Results and Discussions

Table .1. Characteristics of the sample

Factors	Classification	No. of Respondents	Percentage
Age	Below 35	85	56.7
	36-45	34	22.7
	46-55	10	6.6
	Above 55	21	14.0
Gender	Male	105	70.0
	Female	45	30.0
Education	Upto HSC	20	13.3
	HSC	27	18.0
	UG	61	40.7
	PG	42	28.0
Occupation	Business/Professional	67	44.7
	Government	26	17.3
	Private	44	29.3
	Others	13	8.7

Residence	Rural	37	25.0
	Urban	113	75.0
Monthly Income(Rs.)	Below 20000	79	52.6
	20001-40000	59	39.4
	Above 40000	12	8.0

Source: Primary Data

Characteristics of the sample population (150 respondents) is presented in Table-1. It reveals that majority (56.7) of the respondents are in the age group of below 35 years, 70 percent of the respondents are male, and 40.7 percent of the respondents are graduates . The study indicates that around 45 percent of the respondents are business/professionals and private sector employees constitutes 29.3 percent. Table –1 indicates that 75 percent of the sample constitutes urban population and remaining represents rural segment. More than half of the respondents monthly income ranges below Rs.20, 000 and only eight percent earns above Rs.40, 000 per month.

Table .2
Motivational Factors towards ICICI Bank

Factors	I (7)	II (6)	III (5)	IV (4)	V (3)	VI (2)	VII (1)	Total score	Rank
Minimum Balance requirements	0	7	5	18	16	38	66	330	VII
Range of Products	8	14	51	30	25	16	21	643	III
Technology oriented service	45	35	14	16	10	21	9	740	II
Quick and fast service	47	74	12	5	12	-	-	889	I
Location	9	10	32	18	15	38	28	440	VI
Favourable Interest rate	5	10	15	37	41	22	20	555	V
Image of the bank	36	-	21	26	31	15	21	605	IV

Source: Primary Data

The above table shows that, Quick and Fast service (889) is the prime factor which motivated the respondents to go for ICICI Bank, the second factor identified was Technology oriented services with the score 740, and third rank given to range of products with the score of 643, the fourth factor identified was image (score 605), fifth motivating factor found to be favourable interest rate (score 555),and sixth rank retained by the location score being 440 and the seventh factor found to be minimum balance requirements (score 330).It is found that most of the respondents prefers ICICI bank as it offers Quick and Fast customer service.

Table- 3
Respondents' Satisfaction towards ICICI Bank Services

Attributes	Highly Satisfied	Satisfied	Neutral	Dis satisfied	Dis satisfied	Total score	Rank
Account opening procedure	55(275)	76(304)	19(57)	-	-	636	X
Variety of products	73(365)	57(228)	20(60)	-	-	653	VI
Accuracy of services	95(475)	43(172)	12(36)	-	-	683	III
Service charges	4(20)	25(100)	67(201)	23(46)	31(31)	398	XIII
ATM facilities	81(405)	64(256)	5(15)	-	-	676	IV
Core Banking	100(500)	44(176)	6(18)	-	-	694	I

Attitude of staff	97(485)	26(104)	15(45)	12(24)	-	658	V
Seating facilities	85(425)	34(136)	26(78)	5(10)	-	649	VIII
Working hours	97(485)	40(160)	13(39)	-	-	684	II
Customer care	71(355)	49(196)	21(63)	9(18)	-	612	XI
Query Handling	74(370)	48(192)	26(78)	-	2(2)	640	IX
Time taken for service	65(325)	75(300)	7(21)	3(6)	-	652	VII
Information on new products and services	27(135)	43(172)	36(108)	44(88)	-	503	XII

Source: Primary Data

The above table shows the level of satisfaction of respondents toward various services of ICICI bank. It is found from the above analysis that most of the respondents were satisfied with the core banking facilities provided by ICICI Bank (I Rank) and they are not much satisfied with service charges levied by ICICI bank as it retained last rank. (XIII Rank).

Table .4
Problems faced by the Respondents in ICICI Bank

Problems	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	Score	Rank
Account opening procedure	10	7	36	20	22	12	3	5	0	17	18	815	VII
Delay in transaction	6	8	17	19	8	25	13	17	6	20	11	870	V
High service charge	61	48	7	17	0	6	0	0	6	0	5	1409	I
Behaviour of staff	0	15	2	19	31	5	18	11	32	0	17	817	VII
Location	20	14	7	20	10	12	18	20	4	15	10	937	IV
Working hours	2	2	5	5	21	25	27	23	10	14	16	723	IX
Problem in e-banking	18	17	9	18	16	13	18	10	15	8	8	982	III
Absence of Grievance Cell	8	3	6	0	12	26	4	15	38	4	34	648	X
Lack of Information on New Service	18	31	21	22	0	9	10	17	15	5	2	1102	II
Over crowd	7	5	32	10	9	3	23	13	14	24	10	843	VI
Withdrawal problems	0	0	8	0	21	14	16	19	10	43	19	594	XI

Source: Primary Data

The above analysis reveals that majority of the respondents have the problem of paying high service charge as it retained first rank with the highest score (1409). Lack of Intimation on delivery of service secured second rank with the score of 1102, Problems in e-banking ranked third with the score of 982, Location ranked as fourth problem (937), delay in transaction retains fifth rank(870),over crowd in branch retained sixth rank (843), behavior of the staff ranked seventh with the score of 817, Account opening procedure given eighth rank (815), working hours of the bank retains ninth rank with the score of 723, absence of grievance cell retains tenth rank with the score of 648. It is clearly indicated that withdrawal is not giving more difficulties to the customer as it ranked as last problem with the lowest score of 594.

Hypotheses Testing

The following table shows the result of hypothesis testing which is calculated using Chi-square test. The table explains the relationship between the selected independent variables and the dependent variable level of satisfaction.

Table- 4
Relationship between selected independent variables and level of satisfaction

Variables	Chi-square test(calculated value)	DF	Table Value	Result
Gender	1.95	2	5.99	Accepted
Age	16.642	8	15.5	Rejected
Occupation	14.83557	8	15.5	Accepted
Place of residence	5.727194	2	5.99	Accepted

It is understood from the above analysis that the independent variable age have significant association with the level of satisfaction regarding banking services at 5% level of significance and other factors considered for the study are not having significant association with level of satisfaction

CONCLUSION

The Banking sector in India is undergoing major changes due to competition and the advent of technology. Being a service industry, banks should aim at satisfying the customers' needs by providing maximum features in their services. The study found that most of the respondents prefers ICICI bank as it offers Quick and Fast customer service and respondents were satisfied with the core banking facilities provided by ICICI Bank and they are not much satisfied with service charges. Since the minimum balance requirement found to be a least motivating factor, ICICI bank should minimize balance requirements for opening an account. The study found that high service charges was the major problem for the customers, the bank should take measures to reduce the service charges.

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