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## **A research on factors affecting customer satisfaction in retail banking**

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### **Abstract**

Today's business markets requires a high understanding and respect of the customer. In recent years, every industry around the world facing a difficult situation because of competition. Today, banking is regarded as a consumer-oriented services industry and they have started realizing that their business mostly depends on the quality of the service provided to the consumer and overall satisfaction of the customer. Relationship marketing has become the most critical aspect to corporate banking success. Total 100 respondents have been taken by applying convenience sampling method. The main objective of this paper is to identify all the main factors that influence the customer satisfaction in retail Banking. The research method will help in examining the various factors those results in satisfaction in Retail banking. In the current circumstances of retail banking in India, the question becomes whether the customers are satisfied or not and what are the rudiments of retail banking which lead to the satisfaction or dissatisfaction of its customers.

**Keywords:** Banking sector, satisfaction, services, customer

### **1. Introduction**

#### **1.1 What is retailing?**

Retailing co relate with the business activities involved in selling goods and services to consumers for their personal, family, or household use. It means the sale is to the final consumer. Retailing is also the last stage in the distribution process (Barry Berman, Joel R. Evans, Retail Management: a strategic approach).

Today the retail trade involves a wide and varied collection of goods and services. In order that retail exchange can take place, the retailer must offer those products and services that will be valued by customers. Retailers create value for customers by offering the right merchandise, creating a pleasant atmosphere, decreasing shopping risks, increasing shopping convenience and reducing price by controlling costs. (Tony Kent, Ogenyi Omar, retailing)

Retailers provide various important functions that helps to increase the value of the product and services they provide to the consumers and facilitate the distribution of those products and services for the manufacturers to produce them. These value-creating functions include:

1. Providing an assortment of products and service
2. Breaking bulk
3. Holding inventory
4. Providing services

Retailers are the final business people in the supply chain that links manufacturers to the consumers. So a supply chain is group of firms that make and deliver a given set of goods and services to the ultimate consumer.

### **2. Review of Literature**

Johnston (2006) promoted the notion that banks, in general, were to all intents and purposes, 'barking up the wrong tree' by enhancing service quality and these efforts in turn had little or no effect on improving customer satisfaction

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M Luth *et al.* (2007) have found five dimensions of customer satisfaction namely quality of goods, consulting and service, atmosphere, price-performance ratio, and trust. They have also found that discount-oriented customers, organic food shop customers and organic supermarkets

Customers are differing in terms of choice decision.

Bernadette D' silva *et al.* (2013) concludes that Indian shoppers are quite influenced by the visibility, advertising and attractive bumper offers on the product. They have found some important factors which can increase the customer's loyalty as well as the demand for the products in the supermarkets

### 3. Objectives

The Specific objectives framed for the present study are:

- To identify the Socio - demographic variable (e.g. age, gender)and
- To find out the influencing factors affected to customer satisfaction towards retail Banking.

### 4. Methodology

The validity of any research is based on the systematic method of data collection and analysis. The study uses both primary as well as secondary data. Secondary data was collected from different published sources. Primary data was collected by structured survey the primary data was collected from 100 sample respondents. The sampling used by the Researcher is convenience sampling.

### 5. Limitations of the Study

1. The study was restricted to the respondents in particular area.
2. The sample of 100 makes it difficult to generalize the results.

- Charges levied by the banks
- Maintenance of relationship with the customers

### 6. Conclusion

To sum up, the main contribution of this study is the provision of an approach for the management of the banks to identify the factors of customer satisfaction and future intentions towards them. The approach has integrated constructs or items beyond the service quality to capture the sphere of influence of major factors that drive customer satisfaction.

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**Table 1:** Descriptive Analysis – Personal Factors

Personal Factors	Frequency	Percent
Age		
18 -23 years	27	23.3
24 - 30 years	13	50.0
31 - 36 years	15	23.3
Above 36 years	35	3.3
Gender		
Male	70	73.3
Female	30	26.7
Education Qualification		
UG Level	65	40.0
PG Level	25	50.0
Doctorate Level	10	10.0
Occupation		
Professional	28	56.67
Service	10	33.3
Homemaker	30	10.0
Business	22	
Customers	30	26
Users	70	74
Non-Users		

The factors studied are:

- Services provided by the banks
- Risk and Privacy implemented by the banks
- The image or personality of the banks
- Banking convenience felt by the customers
- Pricing policies of the banks