CHAPTER - II

REVIEW OF LITERATURE

INTRODUCTION

The review of literature guides the researcher for getting better understanding of methodology used, limitations of variable estimation procedures and database and lucid interpretation and reconciliation of the conflicting result. Besides this the review of empirical studies explores the avenues for future and present research efforts related with the subject matter. In case of conflicting and unexpected results, the researcher can take the advantage of knowledge of other researchers simply through the medium of their public sector. A large number of research studies have been carried out on different aspects of this industry.

A review of these analyses are important in order to develop an approach that can be employed in the context of the study of selected public and private sector banks. Therefore, the present chapter reviews the various approaches to the study on customer services.

FOREIGN STUDIES

Naveed Azeem Khattakl and Kashif-Ur-Rehma(2010)13 conducted a study on “Customer satisfaction and awareness of Islamic banking system in Pakistan” in order to get information about the Islamic bank customers their usage and awareness of the different products and services of the Islamic banking system and to know about the customer satisfaction level towards the Islamic banking system. This shows that most of the customers of the IBS are highly educated. Secondly the trend of the customer in the sense of age,

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majority of the customers in the age of 21 to 40 years and most of the customers are of the middle-income level.

The study reveals that most of the Islamic banking customers have adopted both banking system, as about 67% of the customers have account in other banks too. This shows that Islamic banking system is lacking many of the feature and the requirement that their customer wants. The study indicates that the customer’s awareness level towards Islamic banking products is good in some of the general products such as current accounts, time deposit accounts. But most of the customers are unaware of the different Islamic financial products such as Murabaha, Ijara. Regarding the Islamic banking selection criteria most of the customers have adopted Islamic banking due to the religious reasons, but there are some other factors that motivate the customers for the adoption of the Islamic banking system such as, bank efficiency in the transaction, their confidentiality to its customers, its working hours.

Ashfaq Ahmad (2009)14“A Comparative Study of Islamic Banking in Pakistan: Proposing and Testing a Model” was conducted to compare the responses regarding service quality, customer satisfaction and bank performance of Islamic and conventional banks operating in Pakistan. The results show that male customers are greater than female customers that were using products/services of selected banks working in Pakistan. It could be linked with findings that customers of Islamic banks have awareness but showed dissatisfaction regarding some of the products of Islamic banks. However, results indicate that service quality offered by Islamic banks leads to greater satisfaction among Islamic banks customer as compared to customer of conventional banks. The results show that there is strong direct and positive relationship between service quality and customer satisfaction in Pakistani banking sector.

Anita Lifen Zhao, Stuart Hanmer-Lloyd, Philippa Ward, Mark M.H. Goode (2008)\textsuperscript{15} in their study “perceived risk and Chinese consumers”, internet banking services adoption”, identified the risk factors that discourage Chinese consumers from adopting Internet Banking Services (IBS) this market was experiencing fast growth. However an in depth understanding of Chinese consumer within this was lacking. Perceived risk in a key consumer in western consumer decision making whereas whether this is true in china’s IBS market was rarely researched.

Raechel johns and Brace perott (2008)\textsuperscript{16} in their study “the impact of internet banking on business-customer relationships (are you being self-served)”, illustrated how technology had dramatically altered the way business operate in a business to business (B2B) context and had profound influences on services, altering the way services were delivered .it was believed that the increased use of self service technologies (SSTs) impacted on B2B relationships.

Wasley Van Derdeiil (2008)\textsuperscript{17} in his study “Swed Bank Versus Rabo Bank. A comparison of The Services Marketing Mix” aimed at finding difference between swed bank and Rabo bank services. Within the subject services, the study has aimed towards finding the difference and similarities between the service marketing mix of Swed bank and Rabo bank. The study also focused on the activities held in order to support the services marketing mix. Small differences were found in marketing research, products, marketing communication, and HRM and service scope.

\textsuperscript{17}Wesley Van Derdeiil (2008),“Swed Bank Versus Rabo Bank. A comparison Of The Services Marketing Mix”. University Essay FromHogskolan; Gavle/ Institution En For Ekonomi.
John Mylonakis (2007)\textsuperscript{18}, in his paper “A Research Study of Customer Preferences in the Home Loans Market: The Mortgage Experience of Greek Bank Customers” examined the issue of segmentation in the field of mortgages. Due to rapid changes in banking in the latest years, organizations have been focusing on the sales of mortgage services, as profits in this field are higher than in other products. The major findings of this study are Particular attention should be paid to staff training, as they appear to affect important decisions. With respect to product distribution, bank branches seem to continue constituting the primary distribution channel for mortgage products and services. In terms of bank marketing, promotion through television plays an important role and seems to affect the markets related to mortgage products. Regarding the other three parts of marketing mix, i.e. the staff, procedures and physical presence, they all appear to be of importance. Bank executives should focus on these factors and especially on employees who seem to also affect the notion on products costs.

Mohammed Alam and Rahman Khoklar. UR (2007)\textsuperscript{19}, in their study “Impact of The Internet on Customer Loyalty in Swedish Banks” argued that the banking services have been dynamic during the last decade due to the advent of the internet in banking sector. One of the most vital challenges of the Internet as a service delivery channel is providing and maintaining service quality. Service quality is an input of customer trust, which becomes satisfactory and lead to loyalty as an output. Customer loyalty is a concern of any organization as well as banking sector. It was found that all the banks interviewed seem to have the same description, motivation and an underlining objective of customer loyalty and the Internet has affected from two different directions, which are made up of both positive and negative sides on customer loyalty creation by these banks. The Internet has become more powerful media


of providing bank services. Banks use the Internet as a new distribution channel for their products and services.

Moideh and Ghezelayagh (2007)\textsuperscript{20} in their study “Prediction of customer attitudes towards using banking in Iran.” focused on E-commerce opportunities for improving customer service in the Iran banking sector. The results indicate that the potential of e-commerce ranges from simple application such as giving information about services to more sophisticated ones that involve customers in services design and customization suitable management actions are proposed to Iranian banks in order to fully benefit from the internet. Based on a detailed literature review and frame of reference, a conceptual model of the adoption process for self-service technologies is developed and tested across Internet banking technology used in the banking industry. The Internet banking technology is relatively new to the Iran market place. The results of the model tests on this technology provides evidence that different factors including ease of use, usefulness, need for interaction, risk and cost with different degree of intensity influence attitudes towards using internet banking and offers an explanation of the varying degree of acceptance found among different type of customers.

Yang Fu (2007)\textsuperscript{21} in his study “Managing Customer Services using GIS in Banks. A Case in Chinese Competitive Environment” analyzed and found that Geographic Information System (GIS) is becoming a useful tool for location related analysis and decision making. He investigated how GIS can help banks for customer services, one is site location of bank branches or ATMs and another is providing bank loan to customers. The research is based on the theoretical frameworks starting with GIS analysis methods, GIS processes, customer service management and GIS applications in banks it is learnt from previous authors experiences and use narrowing spatial data for


analyzing as methodology demo to acquire an understanding of how to utilize GIS to support customer service for banks

SadumanOkumus.H.O (2005) made a study on “Interest Free Banking in Turkey: A Study of Customer Satisfaction and Bank Selection Criteria”. It basically covered the theoretical and practical aspect of the Turkish Islamic banking sector. With the sample of 161 respondents this study tried to know about the awareness and satisfaction of the Islamic banking customers towards the Islamic banking system. The author came to the conclusion that numbers of customers are aware with few specific products like Musharakah and Mudarabah. But most of them were not enrolled in the dealing of these products.

Nazral Islam and IzazAhammed (2003) made an attempt to identify the factors related to “Service Quality of the Banks in Dhaka City of Bangladesh” Four hundred and Four bank clients were interviewed from national private and foreign banks. Factor analysis was done to identify the services quality factors of the banks. Correlation between the factors and demographic profile were identified and to explore the relationship with the overall service quality, multiple regression analysis was performed. Results show that most important service quality factors of bank are personal attention to the clients followed by error free records, safety in transaction and tangible physical facilities of the bank. It is also found that there is a significant difference between the expected and perceived service quality of public sector banks and private banks.

Naser K, Jamal A, Al-Katif K (1999) in their study “Islamic Banking: A Study of Customer Satisfaction and Preferences in Jordan”, tried to get the degree of awareness of the customers towards the IBS products. They had taken a sample of 206 respondents and come to the conclusion that most of the

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customers have a little bit knowledge about the specific products such as Mudarabah and Murabaha. But most of them do not use these products.

**Metawa and Almossawi, (1998)** conducted a study on “Banking Behavior of Islamic Bank Customers: Perspectives and Implications.” on the Bahrain customer’s perception and they found that most of the Islamic bank customers are satisfied with Islamic bank services. They investigated the customer's attitude by taking a sample of 300 customers. They got to the point that there were two main factors involved: “1. Adherence to the Islamic principle, 2. Return Rate” The factor with which the customers have shown dissatisfaction is the high cost of the services that has been charged by the Islamic banks. The religion was the most influential factor in the selection of Islamic banking system not the return on their investment.

**Ulengin.B (1998)** indicated that customers in turkey was more interested in the functional quality of financial services rather than the technical quality dimension. The study further states that there was no big difference among financial products offered by banks and the quality of financial products offered by banks are beyond expectations of the customers, delivery channels and customer relations gain importance in bank choice process as there were a lot of problems in those areas. The substantive conclusion of this study were that on an average respondents of the survey prefer the extended loyalty programmes, the continuous information flow from the bank, the off site ATMs, the main waiting time in the branches and a simplified application form for all accounts a bank offers.

**Edris TA and Almahmeed M.A (1997)** conducted a study at Kuwait on “services considered important to business customers and determinants of bank selection in Kuwait-A segmentation analysis”. He found out that the true

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determinants of bank selection decision made by business customers were more likely to be a function of both perceived importance of bank attributes and the difference among banks in a given region with regard to each of these attributes.

Gerrard P, Cunningham JB (1997)\textsuperscript{28}. In his survey “Islamic Banking: A study in Singapore” concluded that most of the muslims are aware of the fundamental concepts of the Islamic finance. But they are not aware of the specific Islamic financial products such as Murabaha, Ijarah that study was conducted in a non-Islamic country so in this study it is tried to get the customers awareness level towards Islamic banking products of the Islamic country. But the study result shows that the customers have no knowledge about the specific Islamic products such as Murabaha financing, Ijara financing, Musharakah financing.

Peter Kangis, Vassites Volekelatos (1997)\textsuperscript{29} in their survey “Private and Public Banks – A Comparison of Customer Expectations and Perceptions”, studied on a survey among customers of private and public sector banks in Greece on service quality perceptions and expectations. They find that quality expectations and evaluation of services received were marginally higher in private sector banks than in the public sector banks in most of the dimensions measured. The relative importance attached to each quality attribute was however of a similar profile of the two sectors. The perception of the profile of services received was however, different between sectors.

INDIAN STUDIES

Maya B. Lohani, & Kamlesh Kumar Shukia (2011)\textsuperscript{30} both attempted a “Comparative Study of Customer Perception Towards services provided by


\textsuperscript{30}Maya B. Lohani & Kamlesh Kumar Shukia. (2011) “Comparative Study of Customer Perception Towards Services Provided By Public Sector Bank and Private Sector Bank”. International Journal
Public Sector Bank and Private Sector Bank”. They made a comparative study between Bank of Baroda (BOB) and ICICI in Lucknow and found that the younger customers are more inclined towards services provided by private sector bank than the public sector bank. 60% customers of ICICI bank found the employees very courteous as compared to 48% of BOB employees. The customers of BOB perceived that 27% of employees are non-courteous as compared to only 10% of ICICI bank. Customer’s request for transfer of savings account from one branch to another branch of ICICI Bank is done within 2 working days while in BOB the same action needs more time. Bank of Baroda offers a safe locker in all branches but only the main branch of ICICI bank in Lucknow provides locker facility.

The customers of ICICI bank in large number (85) are highly satisfied than only 30 customers of BOB about ATM service. They found out that the perceived quality of services provided by private sector bank (ICICI) is better than public sector bank (Bank of Baroda) in Lucknow city region.

Naveen Arora. (2011) done a “A Comparative Study of Customer Perception and Expectation: Public Sector Banks and Private Banks”. He found that Customers’ expectations of service quality in banks are high and perceived quality of service is quite lower across public and private sector banks. There is a gap between expected and perceived service quality. For Public sector banks the most prominent gap is in responsiveness dimension of the service quality. While Private sector banks have the largest gap in reliability and responsiveness dimensions of service quality total gap is almost equal in both public and private sector banks. Reliability, responsiveness and assurance are found out to be the most important dimensions across the public and private sectors. 

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sector banks. Thus these are determined to be the strategic determinants of service quality and performance in banks.

**Puja Khatri & Yukti Ahuja (2011)**[^32] made a “Comparative Study of Customer Satisfaction in Indian Public Sector and Private Sector Banks”. Respondents felt that private sector banks were more prompt in handling queries than the public sector banks. Private sector 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. Private sector banks need to concentrate more on their credit facilities and insurance services. Public sector banks need to improve their service quality by improving their physical facility, infrastructure and giving proper soft skill trainings to their employees. It is quiet essential to provide service, individualized attention, instant response and constant support whether it is a public or a private sector bank. Although Indian consumers have become more and more technology, they also have been demanding more and more of quality and personalized service from the service providers. But since almost all banks have adopted latest technology it is no more a factor for differentiation; however the human factor at every touch point has become critical not only for customer acquisition but also customer retention.

**S. Senthil (2011)**[^33] made a study on “Customer’s Perception Towards Service Quality of Private and Public Sector Banks in Coimbatore City”. The researcher has attempted to study the general performance of Indian banking industry and to measure the overall customer satisfaction of private and public sector banking customer with special reference to Coimbatore city. He found out that every bank must be aware of the characteristics of the individual customer to be happy. There is a great need to provide adequate and prompt

services to the customer. Hence the Indian banking system should be given a new thrust, so that the entire gamut of economic goals can be achieved.

**Surabhi Singh and Renu Arora (2011)** in their paper “Comparative Study of Banking Services and Customer Satisfaction in Public, Private and Foreign Banks”, various traditional and IT enabled banking services used by customers are studied. In addition, customer satisfaction was also measured with various dimensions. It is observed that cheque deposit and cheque clearance were the most common banking services used by the customers of all six banks. While the charges levied by the bank on different services were perceived higher by the customers in private and foreign banks in comparison to nationalized banks. A small number of respondents were using IT enabled services other than ATM. Security, lack of facility, improper awareness and so on were found to be the reasons for not using IT enabled services. The customers of nationalized banks were not satisfied with the employee behavior and infrastructure, while respondents of private and foreign banks were not satisfied with high charges, accessibility and communication. The study shows that only a few respondents made complaint to their respective banks. The nature of complaint was mostly delays in transaction and extra charges.

**Gayathri (2010)** in her research analysis “Service Quality Gap”, results reveal that the service quality of new private sector banks seems to be good compared with old private sector banks and public sector banks. Comparing the perception of service quality score, there is difference in the opinion among the customer of the three groups of banks on tangibility, reliability, responsiveness, assurance and empathy. Among the public sector banks highly perceived service quality factors are tangible and assurance, in the case old private sector banks these factors are tangible and responsiveness and in the case of new public sector banks these factors are tangible and responsiveness. The results revealed that public sector banks and old private sector banks are also

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competing successfully with new private sector banks and are making efforts to provide better banking services in tune with the changing global competitive scenario.

Kavitha. R. (2010)\(^{36}\) made a study on “Multi-Dimensional Analysis on Customers’ Perception and Satisfaction towards Banking Services”. Banks today do much more than lend and borrow money. They sell financial products, pay utility bills, file tax returns and even get the PAN card made for their customer concepts such as anywhere banking, twelve hours banking, and transactions through ATMs which was introduced by them have revolutionized the banking practices in India. Today many of the routine banking operations can be done through ATMs, telephone or internet banking is also slowly catching on. SBI, Bank of India (BOI), Punjab National Bank, Allahabad bank and central bank of India are leading public sector banks while Axis bank, HDFC and ICICI are leaders of private banks.

Uma Sankar, Bibhuti Bhusan, Saroj Kanta, Bidhu Bhusan (2010)\(^{37}\) made a comparative study on “Employee Evaluations of Customer Satisfaction: A Comparative Study Between Public and Private Banks in India” and found that good premises and suitable location of the branch are essential for bank branches for smooth operation of banking business. When the private banks are compared with public sector banks, all the private banks have excellent locations from business point of view compared to public banks. Getting high-value customers or more business from the existing customers is being adapted as the major strategies by the public sector banks, which is not true in case of private sector banks. For providing better service to customers proper training should be given to the staff by the banks. The rate of vanishing customers is higher in case of urban large-sized public sector banks. The more attractive private banks are able to attract new customers. Public sector banks invest and

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concentrate more on staff development where as private sector gives more priority on infrastructural aspects.

**Poojamongi (2009)** in her study compares Customer’s Perception of Service Quality of Public and Private Banks of Jammu. The objective of the study is to identify the dimensions of SERVQUAL. That ensures maximum satisfaction for customer in banking sector. The service quality of both the banks has been measured using SERVQUAL(service quality scale) SERVQUAL scale was used to determine different dimensions of service quality and chi-square analysis was used to understand the impact of SERVPERF(service performance) dimensions(tangibility, reliability, responsiveness, assurance and empathy) on customer satisfaction. It was found that customer of public sector banks are more satisfied with the service quality than those of private sector banks.

**Sakthivel. G .(2009)** made a comparative study on customer perception towards the services provided by public sector and private sector banks with reference to select banks in Coimbatore district. He focused on three public sector banks namely SBI, IOB and INDIAN Bank and three private sector banks namely ICICI, HDFC and IndusIndBank. The study is divided into three parts. The first part deals with customer preference while selecting the banks of their choice. The second part is to identify the level of satisfaction. The study found that respondents are highly satisfied towards ATM services provided by SBI followed by debit card, Electronic Fund Transfer and Cash Credit and Any Where Banking when compared to others and ICICI is the most preferred bank for account opening by the respondents. Majority of the customer feel that the banks have to create awareness in the computerization. IOB is the most preferred bank towards best facilities available in the bank to the respondents.

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Thyagarajan.M (2009)\textsuperscript{40} in his study “Customer’s Perception Towards Customer Services with Value Added Services in Private Sector Banks in Coimbatore City.” The objective of this study is to know the various value added services provided by the bank. For that purpose 250 respondents were selected using simple random sampling. Garrett ranking technique was used to rank the preference on different aspects of the study and the factor analysis is a technique used for analyzing correlations between variables. It is found that due to technological innovations and significant changes in demographic profile of customers, there is huge marketing potential lying ahead. The study also reveals that ATM and credit cards are the most common value added services utilized by the respondents.

Uppal and Rosy Chawla (2009)\textsuperscript{41} in their study “E-delivery channel based on banking services. An empirical study” highlighted customer perception regarding E-banking services. The researcher analyzed various dimensions of E-banking services namely quality of E-banking services, banking frauds, future of E-banking, preference of bank customer regarding choice of a bank and problem in using E-banking services. The study found that even though customers are interested in availing E-banking services, they face problems like inadequate knowledge, poor network, lack of infrastructure, unsuitable location, misuse of ATM cards and difficulty in opening an account. The Researcher suggested that commercial banks should increase the variety of service, improve the knowledge and behavior of the employees, facilitate convenient accessibility to win and withstand in the competitive market.

Uppal. R. K.(2009)\textsuperscript{42} conducted a study in “Customer Service in Indian Commercial Banks: An Empirical Study” in Amritsar district of Punjab in the month of September 2007 with regard to the time customers have to spend to transact a business. Based on the responses of 768 customers of Public Sector


Bank, Indian Private Sector Bank and Foreign Bank (each one from these groups) operating in Amritsar district of Punjab and in case of fully E-bank, (three banks, one from each bank group) have been taken into consideration. The highest time taken to transact business has been analyzed with the help of eight variables in partially IT oriented banks and E-banks while seven has shown significant difference regarding time taken in various banking services in partially IT oriented banks while four variable has shown significant difference in E-banks. It may be inferred that there is significant difference among three bank groups with regard to the time customers have to spend to transact a business. The E-banks are more efficient in regard to time factor. This is the very important factor of shifting of potential customers in E-banks. Chi-Square test is used to check the level of significance difference among various bank groups and coefficient of contingency among various bank group customers’ responses is also calculated.

Aruna Dhade and Manish Mittal (2008)\(^4\) in their article “Preferences, Satisfactory Level and Chances of Shifting- A Study on the Customer and the Public and New Private Sector Banks” studied the phenomenal changes taking place in the banking industry and indicated that the new private sector banks have gradually won the market with their customer centric approach. The depleting market share of the public sector banks posed a threat to them. It mainly focused on the primary opinion of the customers of these banks. The State Bank of India is selected as the representative of the public sector banks and HDFC, ICICI, IDBI and UTI as representative of private sector banks. The study is divided into three parts. The first part dealt with customer’s preference while selecting the banks of their choice. The second part covered the satisfaction level of the customers and the third part was an attempt to record the instances of customer shifting from one bank to another competitor bank due to dissatisfaction. It is evident from the study that customer of private

banks are most satisfied than those of the State Bank of India. Customers of State Bank of India are more sensitive with regard to the processing time taken for account handling and technological updates. Dissatisfaction in those areas can lead to shifting to another bank while in case of private bank customers; proximity to residence and sometimes in the processing time can be likely reason to change the existing bank with a new one.

Aruna Dhade and Manish Mittal (2008)\textsuperscript{44} in their study focused on the primary opinion of the customers of SBI, ICICI, IDBI And UTI. The study found that male customers are paying attention to process time of transaction and availability of technology while selecting a particular bank whereas females are paying more attention to customer services and easy accessibility. The researcher observed that customer of private sector banks are more satisfied than those of SBI due to the fact that private sector banks have little edge over SBI in prompt service and technology aspect.

Geetika, Tajuj Nandan and Ashwani Upadhyay.KR (2008)\textsuperscript{45} in their study discusses the perception of Internet Bank Users and Non Users and Issues in Internet Banking offered by National Bank, Private Sector Banks and Foreign Banks in Allahabad. The hypotheses have been tested using Chi-Square and ‘t’-test methods. The findings of the survey provide valuable insights into concern for security, reason for power penetration and likeliness of adaptation. The customer looks for simple methods when adopting internet banking. Users of internet banking give more importance to excellent services followed by brand name. Lack of time is one of the prime reasons for not opening an internet banking account.


Jha.Gupta and PuneetYadav (2008)\textsuperscript{46} in their study “Use and Effectiveness of New Technologies in Indian Banking- A Study” highlighted awareness, expectation and acceptance levels of the customers with respect to the use and effectiveness of the new technology in banking sector in India. Chi-square test is used to verify hypothesis. The survey concludes that new technologies hold the potential in making banks more profitable and more convenient for customers. Many customers are not using new technology in India but the trend is catching up slowly. Services like ATM, Internet banking and mobile banking have reshaped people interaction with the bank. The hectic life style of the customer is the main factor which is compelling the customer to use new techniques in banking. The study revealed that technology based services have reshaped the customer interaction with the bank and there are bulk of transaction takes place at technology enacted channels such as ATM, internet, mobile phone rather than the branch.

Ravi.R.A (2008)\textsuperscript{47} this study compares “Public Sector Banks and Private Sector Banks in Terms of user Perception of their Retail Banking Services”. This is an analytical study with a sample size of 120 from three public sector banks and three private sector banks. As per the study, both public sector banks and private sector banks appear to be providing services to the satisfaction of customers. The area of strength identified in the case of public sector banks are safety of investment, confidentially of transactions and goodwill. The areas of concern where improvement would be required to the parameters like mobile banking, E-banking, internet banking and use of latest technology with regard of private sector banks. In case of private sector banks, the areas of strength are politeness and hospitality, speed with accuracy and promptness, confidentiality of accounts and transactions, variety of services offered, goodwill, communication and providing prompt information.


Sharma. R.K. (2008) in his study present the factors influencing the choice criteria in respect of selected banks in particular. He finds those criteria, which have become significantly important in motivating the choice. Data were collected from the account holder of two public sector banks and two private sector banks. Convenience sampling was used. A statistical approach-factor analysis has been used for the study. A quantitative methodology, using responses given by hundred customers is employed in the analysis. Findings show that customization is a significant choice criterion, which includes speed on services, convenient display of counters and continuous flow of information and rate of interest. Other factors, which have also increase in importance, are the reliability, brand name and economic factors such as interest rates; fees and charges levied location factors for choosing a bank.

Uppal. R.K (2008) made a study on “Customer Perception of E-Banking Services of Indian Banks. Some Survey Evidence”. Explained that in the post-LPG (Liberalization, privatization and globalization) era and information technology (IT) era, transformation in Indian banks was taking place with different parameters and that counters of banking service were dynamically altering the face of banking as banks are stepping towards E-banking from traditional banking. He empirically analyzed the quality of E-banking services in the changing banking environment, ie, post liberalization era. The findings of paper stated that most of the customers of E-banks are satisfied with the different E-channels and their services but the lack of awareness is a major obstacle in the spread of E-banking services.

Anbazhagan.B (2007) made a research on “Service Quality in Commercial Banks in Madurai”. He described the customer’s attitude towards banking services and extent of service quality prevailing in the bank. He also measured the service quality gap existing in the commercial banks. The study

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found that public sector banks are much behind the private sector banks in case of service quality due to the fact that they score very less in empathy and reliability aspects of service quality. The researcher highlighted that the commercial banks in India have to turn their attention towards technological innovation, simplification of rules, procedures, forms, transformation in the attitude and behaviour of the employees which will help in satisfying the prime expectations of customers.

**Neeru Maheswari (2007)** made a study on “Comparison of Internet Based Banking Services”. The purpose of this study is to compare internet based banking services available in some leading banks in India. Research model adopted for this study is modified from Garvin’s eight dimensions of quality model to five dimensions model. This study therefore focuses on five dimensions of quality- performance, reliability, tangibility, features and perceived quality dimensions. Almost 13 banks in the area were studied. Two hundred and thirty seven respondents were selected. The result shows that internet banking service in India is very low. Many bank customers are not aware of internet banking services available by their banks in India. ICICI and SBI are ranked the number one internet banking service provider in India followed by HDFC, PNB, BOB which are ranked two, three and four respectively.

**Silky et al. (2007)** in their study “Customer Satisfaction in Retail Services: A Comparative Study of Public and Private Sector Banks” analyzed the major factors that are contributing towards customer satisfaction in banking services. The study also attempted to investigate any difference in the customer satisfaction of public sector banks and private sector banks. The study revealed that innovative services, network, access, technicalities, behaviour, comfort and image are some of the factors responsible for customer satisfaction.
satisfaction. Results also revealed that there were no significant difference in the customer satisfaction of public sector banks and private sector banks.

**ValliDevasena (2007)** in her thesis “An Evaluation of Customer Service in SBI, A Study With Reference to Madurai” discussed about the attitude and behaviour of the customer towards services provided by SBI and also analysed the opinion of the bank employees in rendering customer service. The researcher found that effective services were the vital factor for both Urban and semi-urban customers. Rural customers consider convenience as the major factor for selecting a particular bank. The study also emphasized that accessibility of bank, regular customer meet; bank remains customer oriented were highly expected by the customers of SBI.

**Ramakrishna and VenkobaRao (2006)** made an attempt to study on “Virtual Banking- Does It Really Works?”. They measured the customer awareness, perception and level of satisfaction regarding virtual banking services offered by the Indian public sector banks in Hyderabad city. The author discussed the virtual banking system under four major channels namely internet banking, telephone banking, ATM and integrated voice response system (IVRS). The result of the study revealed that the majority of the customers (62%) are operating internet banking from home, around 17% of the customers check it at cyber cafes and 4% at office, 14% of the customers use their mobiles to access internet banking. Among the internet banking users 60% of them are not satisfied with overall internet banking services. The article also find that the customer are satisfied with ATM services and Tele banking services whereas they found to be dissatisfied with internet banking and IVRS. They expressed their inconvenience in internet banking on issues like content sufficiency, page setup, ease of use and visual design.

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Sundaram.N. (2006)\textsuperscript{55} in his research “Service Quality in Commercial Banks. A comparative Study between Public and Private Sector Banks in Coimbatore City”. has found that almost in all the five dimensions, the perceived level of service quality was far lower than the desired levels for a majority of the factors; the gaps were found to be more in the case of public sector bank than that of the private sector bank. The study could also reestablish the conclusions of the earlier studies that the customer considers the reliability dimension as the foremost important factor in banking service. This shows that apart from the availability of man, machines and other infrastructure, the employees play a deterministic role in customer service. This indicates that it is the personal care taken by the employees that will determine the success of a bank. The study can also establish a strong relationship between the socio economic status of the customer and their satisfaction on the service quality.

ThirumagalVijaya (2006)\textsuperscript{56} in her thesis “A Study on Marketing of Service by Public Sector Banks Customer Perspective” examined the customer awareness, perception, preferences and satisfactory level regarding public sector commercial banks. The study indicates that public sector banks charge higher rate of interest on loan and maintains poor relationship with customers the quality of service was also not up to the expectations of the customer. The study revealed the fact that though there was the existence of private sector bank; the customer prefers to continue with public sector bank. The researcher found it a positive signal to public sector bank for retaining their existing customer and concentrate on developing new customer bases by providing quality services. It was also found that the advertising for public sector bank was not effective and needed to be revised.


Joshna and Moli.P.Koshi (2005)\textsuperscript{57}, in their article “Expectations and Perception of Service Quality in Old and New Generation Banks- A Study of Selected Banks in the South Karnataka Region” examined the service quality aspects of some leading banks in coastal Karnataka district of DakshinaKonedu and Udupi. It was found that ICICI bank showed superior performance over the other selected banks. The study revealed that the service quality dimensions of new generation banks were better than the old generation banks in South Karnataka region.

Narendrakumar and Mohan kumar (2005)\textsuperscript{58}, in their study “A Study on Impact of Computerization on Customer Service” analyzed the impact of computerization on customer services. Eight parameters were selected for the study. The study was conducted in public sector banks in Hariyana and Delhi. 460 bank customers were selected for the study. It is evident from the study that the computerization has brought improved customer service in bank branches. They also found that the increase in efficiency was higher in fully computerized bank branches.

RamachandraGowda.M (2005)\textsuperscript{59} in his study, “Transformation in Banking Service. Customer Choice Vs shifting of a Bank”, analyzed the transformation in banking services in relation to customer’s choice and their shifting of bank. The article reveals that the major reason for shifting from a bank are rigid system and procedures, delays in transactions, inconvenient timings, no Sunday banking facility ,non response and discourtesy towards customers.


**Sam Christudas (2005)**, in his dissertation “Customer Opinion on Financial Services of New Generation Private Sector Banks in Erode District of Tamil Nadu”, dealt with customer awareness and behaviour on various services offered in new generation private sector banks. He also verified various factors which influence the customers for utilizing the modern banking services, the researcher measured the satisfactory level of customers by analyzing the variables namely speed of service, correctness, accessibility, attitude, behaviour of the employees and rate of interest. The study found that the AXIS bank was the market leader among the selected new generation private sector banks in Erode district. The findings of the study reveal that the customers having high level of awareness about the services offered by the bank and are highly satisfied with the bank service.

**Sanjay J.Bhavani.(2005)** conducted a study on “Retail Banking Awareness, An Empirical Analysis with Special Reference to Private Sector Banks in Rajkot City” to know the retail banking awareness of customers. The sample size was two hundred. The study was confined to the comparison of the services provided by the private sector banks to their current holders. It also attempts to know the customer awareness and the post purchase behavior of the customers. The study concluded that the people are opting for private banks due to the services and inter –connectivity between the branches.

**Shajahan (2005)** He made a study on “The Level of Customer Satisfaction on Various Modes of Banking Services in India”. He examined the level of satisfaction among the customers of ICICI banks in perceiving the bank’s services through four different channels namely Internet, phone, branch and ATM. The study found that 38% of the customers were highly satisfied,

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34% of the customers were just satisfied and 28% of the customers were highly dissatisfied with the bank’s services.

**Kathirvel.N and Karpagavalli.K(2014)** made a study on “Customer Satisfaction with Internet Banking—An Analytical study with special reference to The Selected Customers In Tirupur District”. The main objective is to study the customer’s satisfaction and behavior on various Internet services offered by the bank in the study area. A sample of four hundred respondents were selected. Simple statistical tools like Percentage, average, two way tables and Multiple regression analysis were employed appropriately. The study found that Gender, type of family and awareness positively influences the level of satisfaction whereas monthly income negatively influences the level of satisfaction.

**Kathirvel.N and Karpagavalli.K(2014)** made a study on “Customer Services of The Select Private Sector Banks In Tirupur District”. The main objective of the study is to know customer services in the selected private sector banks in the study area. A sample of four hundred respondents were selected. Simple statistical tools like Percentage and Garrett ranking technique were employed appropriately. The study found that most of the respondents have preferred to use ATM service, Demat service, financial advisor service, EFT service and RTGS service in ICICI Bank. Tele-Banking, ECS, Mobile Banking, credit card and Anywhere Banking was preferred by the respondents in KarurVysya Bank. MCB was used more by the respondents in Dhanalakshmi Bank. IDC was used more by the respondents in HDFC Bank.

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Kathirvel.N and Karpagavalli.K (2013)\textsuperscript{65} made a study on “Customer Perception towards the Service Quality of Nationalised Banks With Reference To Tirupur District”. The main objective of the study is to analyse the perception of customers towards the services quality of banks in the study area. A sample of four hundred respondents were selected. Simple statistical tools like Percentage and Chi-Square Test were employed appropriately. The study found that Age, Gender, Education, Occupation and Monthly income has significant association between the attributes of the respondents and their level of satisfaction.

Kathirvel .N and Karpagavalli.K (2012)\textsuperscript{66} made a study on the “Determinants of Equipment and Cost Satisfaction with reference to Public Sector Banks-(Multiple Regression Analysis). The main objective of the study is to assess the determinants of Equipment and Cost Satisfaction to public sector banks in the study area. Samples of two hundred respondents were selected. Simple statistical tools like Percentage, Average range, standard deviation, Two-Way tables and Chi-Square Test were employed appropriately. The study found that Gender and awareness positively influences the level of satisfaction whereas Education, Marital status and Monthly income negatively influences the level of satisfaction.

Kathirvel.N and Karpagavalli.K(2012)\textsuperscript{67} made a study on “Factors influencing the Utilisation of the private Bank services”. The main objective of the study is to analyse the factors influencing the utilization of the services of Axis Bank in the study area. A sample of two hundred respondents were selected. Simple statistical tools like Percentage and Chi-Square Test were employed appropriately. The study found that male respondents, are highly satisfied. with regard to age, youngsters are satisfied. There is a close

relationship between gender, awareness and level of satisfaction in utilizing the services.

**Karpagavalli.K (2012)** made a study on the “Major problems faced by the customers of private banks in Tirupur”. The main objective of the study is to identify the major problem faced by the customers of private sector banks in the study area. A sample of two hundred respondents were selected. Simple statistical tools like Percentage and Garrett ranking technique were employed appropriately. The study found that too much dependence on superiors in clarifying doubts was ranked as the first problem followed by undue favoritism, poor in handling queries, lack of guidance about bank schemes and services.

**NirmaljeetVirk and PrabhhjotKaurMahal (2012)** made a study on “customer satisfaction: A comparative analysis of public and private sector banks in India”. The main objective of the study is to find the preferences and priorities towards types of services provided by the public and private sector banks and to examine the level of satisfaction towards these services. The study was conducted in vhandigarh City. A sample of 160 respondents has been selected from six banks (3 from public sector and 3 from private sector) using convenient sampling method. Crobach’s alpha, t-test, correlation and regression was used. It is found branch facility is positively correlated with teller services, relationship with manager, mutual fund services and telephone enquiry thus contributing to customer satisfaction.

**K.Mythili (2008)** made a study on “The effectiveness of customer services provided by private banks with special reference to ICICI bank at Erode Taluk”. The main objective of the study is to study the awareness and usage level of all the products and facilities provided to private bank customers of ICICI bank and to study the satisfaction level of private banking customers of ICICI bank. It is found that private banking customers feel that security is

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the main reason for banking with ICICI, The next reason being customer services, facilities, convenience, trust and interest rate respectively. It is found that majority of respondents are highly satisfied with the level of services provided by the bank. It is pinpointed from the analysis that major benefits of respondents in SBI bank has the most innovation scheme.

Kavitha.R(2010) made a study on “multi-dimensional Analysis on Customer Perception and Satisfaction Towards Banking Services(with special reference to Coimbatore City). The main objective of the study is to compare the CRM standards and techniques adopted in the various categories of banks, growth of banking services, banking habits, reason for selection of a particular bank, awareness and perception of bank customers towards banking facilities. 600 respondents were selected. The study found that male customer prefer private sector bank whereas female customer prefer SBI and Nationalized Banks. With regard to reason for branch selection, most of the respondents prefer it as is near to the place of work. majority of the customers prefer operating their accounts in nationalized banks as it offers good customer services.

T.Vasanthi (2010) made a study on “customer perception towards service quality attributes of public sector banks and private sector banks”. The main objective of the study is to examine customer opinion about the services, quality attributes and level of satisfaction of customer towards the services. 500 respondents were selected for the study. The study found that 71% of respondents were aware of financial products developed by public sector banks and private sector banks through media and internet. Safety returns is preferred as top priority reason for choosing the public sector bank and quick service is ranked as number one by the respondents for choosing both sector banks.

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Phone banking, Demat facility, ATM facility, electronic fund transfer, credit and debit card and anywhere banking facilities commended as good whereas mobile, ATM facility are viewed as poor by the respondents of both banks. There is a significant different observed in the technical, transactional and procedural service quality of both the sectors as stated by different occupational group of the respondents.

Male respondents have recorded high level of satisfaction than female respondents. Overall consideration reveals that private sector banks are functioning well than public sector banks. Safety returns on money and quick service are the high customer expectations and public sector bank customers are strongly believed that their bank are most powerful bank.