CHAPTER - 2
LITERATURE REVIEW

2.1 LITERATURE REVIEW-MEANING
As per generally accepted meanings, A literature review discusses published information in a particular subject area, and sometimes information in a particular subject area within a certain time period.

A literature review can be just a simple summary of the sources, but it usually has an organizational pattern and combines both summary and synthesis. A summary is a recap of the important information of the source, but a synthesis is a re-organization, or a reshuffling, of that information. It might give a new interpretation of old material or combine new with old interpretations. Or it might trace the intellectual progression of the field, including major debates. And depending on the situation, the literature review may evaluate the sources and advise the reader on the most pertinent or relevant.

Some people are in the opinion that A literature review is a text of a scholarly paper, which includes the current knowledge including substantive findings, as well as theoretical and methodological contributions to a particular topic. Literature reviews use secondary sources, and do not report new or original experimental work.

2.2 IMPORTANCE OF LITERATURE REVIEW IS
- It describes that how the proposed research is related to prior research.
- It explains the origin of the relevant problem.
- It also justifies research methodology.
- It helps to find out the scope of further research.
- It also reflects the issues debated or discussed on the topic.
- It also shows writing pattern of some authors in journals/articles.
2.3 FOLLOWINGS ARE THE LITERATURE REVIEWS OF THIS RESEARCH STUDY

National level publications from literature review
1) Vimizam ,imt, gaziabad.and Kaleem Mohd. Khan in their research based on Customer satisfaction in Indian banking sector.

IIMB Journal
2) Arunadhade and Manish Mittal ,Preferences ,satisfaction and chances of shifting- A study of customers of customers of public sector banks in India”, the ICFAI journal of bank management
3) Pooja Mengi, Customer satisfaction with service quality- An empirical study of public and private sector banks, The IUP journal of management research
4) B S Bodla and Richa Verma Bajaj, An analysis of private sector banks in India, The IUP journal of bank management
8) Sonia Chawla and Ritu Sehgal in An Empirical Analysis of the Awareness and Satisfaction Level of Internet Banking Users with Respect to Demographic Profile, The IUP journal of marketing management
9) Dr Biranchi Swar in Managing Customers’ Perceptions and Expectations of Service Delivery in Selected Banks in Odisha, The Indian journal of management
10) R.K.Uppal in ‘customer service in banks; meeting excellence in emerging new competitive era’, The economic challenger
11) Debapratim purkayastha and Syed Abdul Samad in ‘changing face of state bank of India’-strategic priorities in maintaining market leadership, The IUP journal of business strategy

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International level publication from literature review.

1) Alka Sharma and Versha Mehta, explained in their published article “service quality perception in financial services- A case study of banking services”, *Journal of services research*.


3) Manoj p.k, Determinants of Profitability and Efficiency of Old Private Sector Banks in India with Focus on Banks in Kerala State: An Econometric Study, *International research journal of finance and economics*.

4) Tejpalsingh and Manpreet kaur in Internet banking, content analysis of selected Indian public and private sector banks ‘online portals. *The journal of internet banking and commerce*.

5) Dr. K. Ganesamurthy and DR. S Amilan in The customer's attitude on CRM practices of commercial banks in India: an empirical study with special reference to Sivagangai district, Tamilnadu”, *Global management review*.


7) Dr. Maniram dekateanf prof. Sunilbapu Kadam in ‘Comparative study of customer satisfaction towards services provided by public sector banks, private sector and co-operative bans of Navi Mumbai”, *International journal of multidisciplinary Research academy(IJMRA)*.

8) C.Padmavathi, M.S/B Alaji and Vijay shivkumar in ‘measuring effectiveness of CRM in Indian retail banks, *IJRCM (International Journal of research in commerce and management)*

- Alka Sharma and Versha Mehta(2005), explained in their published article *Service quality perception in financial services- A case study of banking services the American perspective* with the help of SERVQUAL/ SERVPERF model by Parsuraman, Zeithaml and Berry (1988). The model explains the service quality on the basis of gap between the expected level of service and perceptions of the customers regarding the level of service received. The main assumption of the model is that service quality is multidimensional concept. These dimensions
contribute to the assessment of the service quality in any setting. The researcher concludes that Those banks, which have long established parent organizations like UTI bank (Unit Trust of India), should promote their linkage to the parent institutions. This would not only increase the reliability of these banks in the minds of the customers but also the assurance. In-depth interviews were held with customers to establish the valuation criteria and factors which result in customer satisfaction. Then, a questionnaire was constructed and piloted. Customers of ICICI the satisfaction of the customer with the services of Indian banks is linked with the performance of the banks 43.

- **Aruna Dhade and Manish Mittal (2008)** in their research project *Preferences, satisfaction and chances of shifting – A study of customers of public sector banks in India*. In which they mainly focus on the primary opinion of the customers of these banks. The State Bank of India (SBI) is selected as the representative of the public sector banks and HDFC, ICICI, IDBI and UTI as representatives of the new private sector banks. It is evident from the study that the customers of private banks are more satisfied than those of the SBI. Customers of the SBI are more sensitive with regard to the processing time taken for account handling and technological updates. The researcher finds that Dissatisfaction in those areas can lead to a shift to other banks, while proximity to residence and sometimes, delay in processing time can be a reason for changing the existing bank for a new one in the case of private bank customers. Customers of private banks are more satisfied than those of the SBI. In prompt services private banks have little edge over the SBI, and technologically customers of private banks.

- **Pooja Mengi (2008)** in *Customer satisfaction with service quality-An empirical study of public and private sector banks* Which compares customers’ perceptions of service quality of public and private banks of Jammu? The service quality of both the banks has been measured using SERVQUAL (service quality) scale. It was found that customers of public sector banks are more satisfied with the service quality, than those of private sector banks. The results of the study indicate that tangibility and reliability provides Maximum satisfaction to customers of private as well as public sector banks. Superior SERVQUAL performance will ensure maximum customer satisfaction and also help in attaining customer’s loyalty. Improved customer satisfaction through SERVQUAL would
result in a positive word-of-mouth and consequently better customer acquisition and retention.

- **Kusum W. Ketkar, Vanderbilt University** in her article *performance and profitability of Indian banks in post reform* Period explained the technique of DEA (data envelopment analysis) has been used after deriving efficiency of each institution by using comparable mix inputs. The researcher concludes that a high percent of officers in their workforce has added to their efficiency. Excessive bank investment in government securities has negatively impacted bank efficiency. Such overdependence on government securities by public sector banks is an indication of their risk-averse behaviour. Finally, the new MSI variable developed to measure the income environment facing each bank is found to be quite relevant in explaining lower efficiency scores of state-owned and nationalized banks.

- **B S Bodla and Richa Verma Bajaj (2006)** in *An analysis of private sector banks in India* the Production approach of Data Envelopment Analysis (DEA) was applied to judge the efficiency of private sector banks. In this model, banks are considered as service providers, and while interest expenses, non-interest expenses and the Non-Performing Asset (NPA) ratio. The study findings are as follows:

  - The private sector banks performed their best in the year 1998-99.
  - The major source of inefficiency, in the case of private sector banks, was deposits (15 banks) in 2000-01, advances (19 banks) in 2001-02, investments (18 banks) in 2004-05, and net NPAs to net advances ratio (19 banks) in 2004-05. Therefore, it can be inferred that the position of private banks is greatly affected by the output variables; And On the whole, HDFC Bank was the top performer with an average productivity score of 414.56%, followed by ICICI Bank. Centurion Bank (64.17%) was the most in efficient bank among the private sector banks during the study period. Based on the above findings, it can be said that the efficiency of private sector banks was acceptable during the study period.

- **Usha Lenkaa, Damodar Suarb and Pratap K.J. Mohapatra** in *Customer satisfaction in Indian commercial banks through total quality management approach* study examines whether soft and hard aspects of quality management practices determine service quality and customer satisfaction. Data were collected from a branch manager and a valued customer from each of the 315 scheduled...
commercial bank branches in Orissa (India). A conceptual model depicting the relationship was applying structural equation modelling. Results reveal that transformational leadership, workplace spirituality and service climate, depicting the soft aspects of quality management practices, do increase employees’ job satisfaction and affective commitment. Management information system and physical evidence depicting hard aspects of quality management practices enhance service quality. The study reveals that not only the information and analysis, but also the quality of the system, quality of information and efficiency of managers in using those technologies are important for providing better services to customers.

- Manoj P.K, (2010) in Determinants of Profitability and Efficiency of Old Private Sector Banks in India with Focus on Banks in Kerala State: An Econometric Study paper which Focuses on the OPBs based at Kerala state (KOPBs) in the Indian union, this paper seeks to identify the determinants of profitability and operational efficiency of KOPBs, using an econometric methodology. For the sake of comparison of KOPBs, the general case of OPBs and New generation Private sector Banks (NPBs) in India have also been analyzed. Their study results that priority sector advances are do not affect either profitability or risk management adversely, as against the popular belief in this regard. The strategies as above have got special significance in respect of OPBs in general and KOPBs in particular in the ongoing globalized regime of fierce industry competition; because higher profitability, and strong risk management capability are vital for these banks for survival and growth.

- Jaspal Singh and Gagandeep Kaur (2009) in ) Determinants of Customer Satisfaction: An Empirical Study of Select Indian (Universal) Banks in which they investigate the determinants of customer satisfaction of Indian(Universal) banks. Data was collected from a sample of 180 respondents using convenience sampling technique. Factor analysis results reveals that responsiveness, tangibles, services innovation, reliability and accessibility, assurance, pricing and other facilities, problem solving capability and convenient working hours are the main determinants of customer satisfaction. Their result shows that customer satisfaction is influenced by nine factors, namely, Responsiveness, tangibles like appearance of a bank’s physical facilities, equipment and employees, Reliability
and accessibility, assurance, pricing and other facilities, problem solving capability and convenient working hours of bank.

- **G Santhiyavalli and b. Sandhya in Service Quality Evaluation in Select Commercial Banks: A Comparative Study** which evaluates the service quality of select leading commercial banks by identifying the major factors responsible for customer satisfaction. To support the objective of the study, SERVQUAL technique, based on the model developed by Parasuraman et al. (1988), was adopted. The factor analysis clearly indicates that among the five dimensions ‘assurance’, ‘tangibility’ and ‘reliability’ are the major factors responsible for customer satisfaction which stood at 74% with regard to the services provided by ICICI Bank. State Bank of India (SBI) scored 94% on customers’ satisfaction in respect of ‘reliability’, ‘responsiveness’, ‘empathy and tangibility. The findings of the study reveal that the service quality of SBI is much better than the services offered by the ICICI Bank. Based on the services offered by the SBI, ‘reliability’, ‘responsiveness’, ‘empathy’ and ‘tangibility’ are the dimensions which stood at 94% on customer satisfaction.

- **D.P. Samantaray and Swagatika panda (2007) explained in research project on Corporate governance in Indian banking industry; An experience with SBI and HDFC bank**, that corporate governance importance in a company. A detail comparative study on CG practices of two leading banks based on their annual report of 2006-07. The study between two leading above banks, one is from public sector and other is from private sector, which is based on the report of CG given by the Narayan Murthy commission of CG. This study reveals that the CG practices of both banks are quite satisfactory, whereas the practices of each bank in a few areas are more satisfactory than the counterpart. At the same time, there is ample room and scope for improvement for the both the players in different areas of disclosure. HDFC bank’s (privatized bank) application of CG is effective SBI is also having good CG practice. It can be concluded that the disclosure practice of Indian private banks helps the stake holders to make an effective interpretation about the performance of their bank.

- **Tejpalsingh and Manpreetkaur in Internet banking, content analysis of selected Indian public and private sector banks ‘online portals**, in which their study aims to compare pre login and after login features of selected banks online
portals. For study purpose two banks one from public and other from private sector is selected, then content analysis technique was used to study the listed feature of selected website. Study found that selected banks online portals differ on various features such as accounts information, fund transfer, online request and general information. The study says that it is clear that both the banks attempted to make their online portals more secure, informative and user-friendly but still they differ on one account or another. ICICI bank’s portal has good features. From the comparative position, it is clear that ICICI -bank’s online portal has upper hand as compare to SBI Bank.

- **Vikas Gautam Research Scholar, ICFAI has focused in paper An Empirical Investigation of Perceptions of Customers About Quality of Services Offered by Public and Private Sector Banks** The objective of the present study is to compare and analyze the service quality perceptions of customers about the public sector and private sector banks. The study also seeks to find the relevant dimensions of the SERVQUAL / SERVPERF scale in banking industry in Indian context. Survey was conducted in the Dehradun city of Uttrakhand state. The primary statistical techniques used in the study are Correlation analysis. Factor analysis and multiple regression analysis. An attempt has been made here to quantitatively study the levels of the dimensions of service quality and its relation to customer service quality perceptions. Results of overall service quality perceptions show that public sector banks are rated high as compared to private sector banks. Observation is that the customer base of the public sector banks is very large as compared to the private sector banks; therefore it is important to retain and satisfy those customers with banks. The overall comparison between public sector and private sector banks identifies the public sector banks as having the higher quality perception than their private sector counterparts.

- **Dr. K. Ganesamurthy and DR. S Amilan in their research paper The customer's attitude on CRM practices of commercial banks in India: an empirical study (with special reference to Sivagangai district, Tamilnadu** in which they made an attempt to study the customers' perspectives on CRM practices of Commercial Banks in India, the sample size include 421 respondents from both public and private sector banks in Tamilnadu, the study reveals that customers' perception of CRM in banks does not vary irrespective of different
classifications of customers such as age, sex, education, occupation, income level, the bank in which customers have an account, type of account, type of account maintained by the customers and the period of customers' association with banks. The validity of the results have been tested statistically by applying techniques such as ANOVA, 't' – Test and discriminated functional analysis.

- **Sonia Chawla and Ritu Sehgal (2011) in An Empirical Analysis of the Awareness and Satisfaction Level of Internet Banking Users with Respect to Demographic Profile**, This study is an attempt to explore the sources of awareness regarding Internet banking and usage of Internet banking services. The study also assesses the satisfaction level of the respondents on the basis of their demographic profile across the public and private sector banks. The data was collected from 120 respondents belonging (SBI), (PNB) and among the public sector banks, and (ICICI) Bank, (HDFC) Bank and Axis Bank among the private sector banks in the state of Punjab The study reveals that age has a statistically significant effect on the choice of a particular bank. Income also has a significant influence on the number of banks used. Their findings say that the satisfaction level can be improved with some more efforts of the banks by providing Internet banking services as per the users’ expectations.

- **Dr Biranchi Swar (2012) in Managing Customers’ Perceptions and Expectations of Service Delivery in Selected Banks in Odisha**, This study was conducted among six banks of Odisha, viz., State Bank of India (SBI) & Punjab National Bank(PNB) in public sector banks being the largest and oldest banks in India, ICICI Bank and Axis Bank in the private sector banks being the 2nd largest bank and most successful bank in India, and Citibank and Standard Chartered Bank having the maximum operations in India among the foreign banks. For this study service delivery (Human element and Systemization element) is taken as an independent variable to provide better customer service quality,. A sample of 524 useable questionnaires of customers has been analyzed. It has been found that as far as customers’ perceptions of service delivery are concerned ‘human element of service delivery’ is the most important dimension, followed by systemization element of service delivery respectively.

- **Navinkumar Mishra and Vijaykumar Pandey (may 2013)** in their paper “customer satisfaction –A comparison of public and private sector banks of
India in which research is done to compare public and private sector banks of India by evaluating their customer satisfaction. This research is mainly based on primary data which has been collected through a well-structured questionnaire (adapted from three different studies). The questionnaire has been distributed to 350 different respondents on different chosen locations. This paper makes a useful contribution as there are very low number of studies has been conducted in India on such areas like price, technology, reliability, customer service, location and infrastructure. Their finding says that most of people prefer to deal with public sector banks due to safety and reliability factors.

• Dr. Maniramdekateanf Prof. Sunil bapu Kadam (2012) in ’Comparative study of customer satisfaction towards services provided by public sector banks, private sector and co-operative bans of Navi Mumbai’

In present research they made an attempt to study customers satisfaction of quality of services, both transactions based and IT enabled in terms of its constituent factors in public sector, private sector and co operative banks. Also through the present study, we would gauge the extent of IT adoption in public sector, private sector and co operative banks in this e-age. The present investigation was planned with the objective to assess the extent of use of services especially the IT enabled services in these banks and to analyze the constituent factors affecting customer satisfaction with the quality of services. The present study was conducted in public sector, private sector and co-operative banks of Navi Mumbai. Multistage sampling was used for sample selection. Their study reveals that comparatively private sector banks are ahead of other banks in IT enabled services.

• R.K.Uppal in ‘customer service in banks; meeting excellence in emerging new competitive era’ (2007) Based on the responses of 768 customers of public sector bank, Indian Private Sector Bank & 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 survey was conducted in Amritsar district of Punjab in the month of September 2007. 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. Their findings says that private sector banks offer better technology services with latest changes compare to public sector banks.
• Debapratim purkayastha and Syed Abdul Samad (2012) in ‘changing face of state bank of India’-strategic priorities in maintaining market leadership has done a comparative study on financial strength of top 10 banks in India as well he focused on growth of SBI time by time and under the leadership of Shri O.P.Bhatt the growth of the bank. He has also compared profit and loss account of SBI from 2007 to 2011. It shows the reforms came after 1991. Researcher finds that due to thought competition with other public and private banks, SBI time by time trying hard to improve their CRM (customer relationship management) practices.

• C. Padmavathi, M.S/B Alaji and Vijay Shivkumar in ‘measuring effectiveness of CRM in Indian retail banks’. This research adopts two different studies to develop and validate the scale for CRME. In study 1, responses obtained from 197 Indian retail banking customers were used to identify key dimensions of CRME. In study 2, homological validity for the CRME scale was provided using a new sample of 261 actual bank customers. Furthermore, the relationship between CRME dimensions and customer behavioural outcomes such as customer satisfaction, loyalty and cross buying were examined. Their results says that systematic CRM practices and regular communication with customers through m-banking, net banking and fast solution system of consumer complaints helps to enhance long lasting loyal customer relationship.