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9.1 Introduction

The researcher has made an attempt to find out the level of satisfaction among the customers of ICICI Bank and HDFC Bank by application of statistical analysis. In this connection several findings and conclusions are listed in this chapter. Also the researcher had made comparison of objectives of the research work, and the end result, in terms of findings and conclusion in this chapter. On the basis of the findings and conclusion, the researcher has made valuable suggestion and recommendations to the policy makers and planners of both the banks, and also to others who are connected with banking activities.

9.2. Findings of the Study

On the basis of field study conducted by the researcher, for understanding the opinion of customers as well as marketing staff of ICICI Bank and HDFC Bank, the following are the significant findings observed by the researcher.
9.3 General Findings of the study

During the course of study researcher has come across the following general findings in terms of working of private sector banks.

1. Most of the private sector banks offer innovative services, including ICICI Bank and HDFC Bank to attract and to retain the existing customers; one such innovative service is home delivery and pick-up of cash, cheque or draft. It is noticed that in such transactions, most banks wash off their hands, once the cash leaves the cashier's desk.

2. To survive in this competition, most private sector banks lure high net worth individuals through various schemes offered by these banks. In doing so, they give a preferential treatment. High net worth individuals are treated differently in private sector banks.

3. If customer is having account in private sector bank and if cheque bounces, the customer has to pay between Rs.300 to Rs. 650 plus, whereas in public sector banks it is Rs. 50 to Rs.75 as fines and charges.
4. It is also noticed that, most of these banks do not employ qualified people with banking knowledge at their call centers.

5. If a person calls at their call centers, he would be confused with multiple solutions and frustrated by the long ordeal.

6. Many Private Sector Banks offer online services, wherein one can transfer money to their fixed deposit without visiting the branches. But when it comes to withdrawal or payment they insist on visiting the branch, giving the reason of security.

7. It is observed that in order to promote bank’s products such as credit cards, debit cards, etc, the banks, announces various innovative schemes, such as free gifts, prizes, reward points etc. But most of the times they fail to keep up the promise.

9.4 Specific Findings of the study

1. The services of private sector banks in general are efficient and speedy as compared to Public sector banks.

2. As far as ICICI Bank is concern, the customers are of the opinion that, it is new generation progressive Bank. With regards to this 83.2 percent of the customers think that services offered by ICICI Bank are very much innovative.
3. HDFC Bank customers when asked about the innovative nature of HDFC Bank services, around 77.5 percent of the customers said that the schemes are very much innovative.

4. As far as the comparison of both the banks in terms of innovative nature of banking services is concerned, it is found out that ICICI Bank offers more innovative schemes that HDFC Bank.

5. Another parameter on which the customer service is judged is dynamic nature of banking services offered by ICICI Bank. It was concluded from the study that 51.5 percent of the customers said that the services are dynamic in nature.

6. Similarly the dynamism of HDFC Bank services was evaluated from customers’ responses, and 33.3 percent customers feel that the services are dynamic.

7. Again in comparison with HDFC Bank, ICICI Bank stands first in terms of dynamism of customer services.

8. In terms of competitiveness of banking schemes, ICICI Bank has 56.4 percent customers saying its services are very much competitive.
9. HDFC Bank customers are negative about the competitiveness of banking schemes of HDFC Bank. Only 37.3 percent of the customer feels that the services are very much competitive, whereas, the majority of customers i.e. 50 percent have the, opinion that the schemes offered by HDFC Bank are very less competitive.

10. The customers of ICICI Bank are satisfied with the services offered by ICICI Bank. This fact can be verified with the number of customers responding yes to the question asked about satisfaction with ICICI Bank services, as 83.2 percent customers are satisfied with the banking services of ICICI Bank.

11. HDFC Bank customers are also satisfied with the banking services offered by HDFC Bank. The customers who are satisfied with HDFC Bank services stand at 76.5 percent.

12. Obviously when the comparison is done in terms of satisfaction between ICICI Bank and HDFC Bank, ICICI Bank customers are more satisfied at 83.2 percent.

13. Private sector banks give more importance to customer satisfaction. This satisfaction not only depends on the product and services but the way of communication which the bank undertakes with its customers, regarding new services, opening of new branches, changes in interest rates etc. In this regards, 80.2 percent of ICICI Bank customers are satisfied with the communication from ICICI Bank.
14. HDFC Bank customers have given their opinion regarding communication and 85.3 percent are satisfied with communication from HDFC Bank about new services, changes in interest rates, opening of new branches etc.

15. When ICICI Bank and HDFC Bank are compared in terms of satisfaction with the communication, it is found that, HDFC Bank is more prompt and efficient in communication with the customers.

16. It was concluded that 34.6 percent customers of ICICI Bank are always satisfied with the way ICICI Bank markets its banking services. Whereas 61.4 percent of the ICICI Bank customers are sometimes satisfied with marketing of ICICI Bank services.

17. It is found that 50 percent customers of HDFC Bank are sometimes satisfied with the way HDFC Bank markets its products, whereas 47.1 percent customers of HDFC Bank are always satisfied with the way the bank markets its services.

18. ICICI Bank has 11.9 percent customers who are not satisfied with the services of ICICI Bank. The study also attempts to find out the reasons for dissatisfaction of services of ICICI Bank. It is found that:
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a) 8.9 percent customers are not satisfied because of its services.

b) 1.0 percent customers are not satisfied because of schemes offered by ICICI Bank.

c) 7.9 percent customers are not satisfied with the staff of ICICI Bank.

d) 7.0 percent customers of ICICI Bank are not satisfied because of banking charges.

e) 4.0 percent customers of ICICI Bank are not satisfied because of the time taken for transaction.

19. HDFC Bank has 7.9 percent who are not satisfied with the services of HDFC Bank. The study also attempts to find out the reasons for dissatisfaction of services of HDFC Bank.

It is found that:

a) 6.9 percent of the customers of HDFC Bank are not satisfied because of services.

b) 3.9 percent customers of HDFC Bank are not satisfied with the schemes offered by HDFC Bank.

c) 13.7 percent of the customers are not satisfied with the staff of HDFC Bank.

d) 10.8 percent Customers of HDFC Bank are not satisfied with service charges charged by HDFC Bank.

e) 3.9 percent of the customers of HDFC Bank are not satisfied because of the time taken for transaction.
20. The conclusion from customers' survey is that the major reason for dissatisfaction of ICICI Bank customers is ill informed banking staff and high charges charged by ICICI Bank.

21. Regarding HDFC Bank the major reason, which emerged from the customers' survey for the dissatisfaction, is banking staff at 13.7 percent and service charges at 10.8 percent.

22. When the customers were asked to rate ICICI Bank on the basis of customer services, the customers have rated ICICI Bank as follows:
   a) 32.7 percent of the respondent customers of ICICI Bank rated the services as excellent in terms of customer services.
   b) 28.7 percent of the respondent customers of ICICI Bank rated its services as very good in terms of customer services.
   c) 30.7 percent of the total respondent customers of ICICI Bank rated it as good in terms of customer services.
   d) 7.9 percent customers of ICICI Bank rated it as poor in terms of customer services.

23. Likewise, customers of HDFC Bank were also asked to rate the Bank on the basis of customer services, the customers have rated HDFC Bank as follows:
   a) 25.5 percent of the respondent customers of HDFC Bank rated its services as excellent in terms of customer services.
   b) 32.4 percent of the respondent customers of HDFC Bank rated its services as very good in terms of customer services.
c) 37.3 percent of the respondent customers of HDFC Bank rated the services as good.
d) 4.9 percent of the respondent customers of HDFC Bank rated it as poor in terms of customer services.

24. When both the banks; ICICI Bank and HDFC Bank were compared with each other, in terms of customer rating on the basis of services, it was found that ICICI Bank has more customers i.e. 32.7 percent who rated ICICI Bank services as excellent, as compared to that of HDFC Bank which is 25.5 percent.

25. It is also found that, the number of customers who have rated ICICI Bank as poor in terms of services are more in ICICI Bank at 7.9 percent, Whereas, HDFC Bank has only 4.9 percent of the customers who rated its services as poor.

26. When Marketing personnel of ICICI Bank were asked to compare ICICI Bank, in terms of customer satisfaction with other private sector banks, 79.6 percent of the customers said ICICI Bank is better than other private sector banks. While 18.4 percent of the customers replied it to be same as other private sector banks, and only 2 percent said it is not as good as other private sector banks.

27. Similarly marketing personnel were asked to compare HDFC Bank in terms of customer satisfaction with other private sector banks. 61 percent of the marketing personnel replied that, HDFC Bank is better
than other private sector banks. However, 35 percent of them replied it to be same as other private sector banks and, only 4 percent said it is not as good as other private sector banks.

28. As per the marketing personnel of ICICI Bank, 41 percent of the customers of ICICI Bank are always satisfied with various services offered by ICICI Bank.

29. As per the marketing personnel of HDFC Bank, 20 percent customers of HDFC Bank are always satisfied with various services offered by HDFC Bank.

30. On the basis of replies of marketing personnel of both the banks, it is found that, ICICI Bank is leading in customer satisfaction with all its services at 41 percent, when compared with HDFC Bank which is at 20 percent.

31. According to 58.2 percent marketing personnel, the customers of ICICI Bank are well informed about new services of bank.

32. In the opinion of marketing personnel, 60 percent customers of HDFC Bank are well informed about new services of bank.
33. When asked about the redressal of complaints, most of the marketing staff of ICICI Bank replied in negative terms. Around 6 percent said it is excellent, 10 percent said it is very good, 26 percent said it is good, 32 percent said it is satisfactory and 26 percent said it is poor.

34. The question regarding customer complaints when asked to marketing staff of HDFC Bank, they replied in the following way; 12 percent said it is excellent, 6 percent said it is very good, 45 percent said it is good and 16 percent said it is satisfactory and 21 percent said it is poor.

35. Out of the total respondent 5 percent of marketing staff faced problems in marketing the banking services of ICICI Bank all the times.

36. Out of the total respondent, 11 percent of marketing staff has problem in marketing the banking services of ICICI Bank most of the times.

37. Similarly 76 percent of the respondent marketing staff has problems in marketing the banking services of ICICI Bank only sometimes.

38. The respondent marketing staff who replied that they never had problems in marketing the banking services stats at 8 percent.

39. About marketing problems faced by HDFC Bank marketing staff, 6 percent of the marketing staff has problems in marketing the banking services of HDFC Bank all the times.
40. Out of the total respondent 4 percent of the marketing staff has problem in marketing the banking services of HDFC Bank most of the times.

41. Likewise, 85 percent of the respondent the marketing staff has Problems in marketing the banking services of HDFC Bank only Sometimes.

42. There are respondents who never had problems in marketing of HDFC Bank services. These respondents stand at 5 percent.

43. It is found that, the problems faced by marketing staff of HDFC Bank is related to; banking products 8 percent , marketing strategies 12 percent , Service charges 55 percent , banking staff 20 percent and other 5 percent .

44. In case of ICICI Bank it is found that the problems faced by marketing staff is related to; banking products 9 percent , marketing strategies 10 percent , Service charges 63 percent , banking staff 10 percent and other 8 percent .

45. Only 8 percent of marketing staff of ICICI Bank have replied that, they never had problems because of service charges, whereas most other had replied that they had problems. 4 percent said they have problems all
the time, 41 percent some times and 47 percent said most of the times because of the service charges.

46. Only 5 percent of the marketing staffs of HDFC Bank replied that they never had problems because of service charges. Whereas most other had replied that they had problems, 45 percent said they have problems because of charges all the time, 20 percent had problems some times and 30 percent said they had problems most of the times.

47. The major question which emerged from the above situations is whether all these problems affect the marketing staff in convincing the customer about other products. Only 2 percent of ICICI Bank marketing staff feels that they have problem in convincing the customers all the times because of all these problems stated above, 9 percent had problems most of the time convincing the customers, 79 percent had problems some times and 10 percent never had any problems because of all the above stated reasons in convincing the customers.
48. Similarly, with HDFC Bank, the opinion of marketing staff which faces problem in convincing the customer about other products are as follows; 1 percent of HDFC Bank marketing staff feels that they have problem in convincing the customers all the times because of all the problems stated above, 36 percent had problems most of the time and 51 percent had problems some times and 12 percent never had any problems because of all the above stated reasons in convincing the customers.

49. It is found that most of the time ICICI Bank marketing staff faces problems in convincing the customers because of reasons such as, service charges, banking staff etc at 79 percent whereas HDFC Bank staff faces similar problems at 51 percent.

50. It is found that ICICI Bank has successfully applied the 7 P's of marketing in marketing of its banking services.

51) It is found that HDFC Bank has also been successful in applying the 7 P's of marketing in marketing of its banking services.
9.5 Comparison of Objectives and Findings.

The researcher felt it necessary to compare the objectives set by the researcher and the findings of the study which emerged gradually as the study progressed. The following table gives interconnection between objectives set by the researcher and the findings out of the study.
### Table 9.1

Comparison of objectives of the study and findings.

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<th>No</th>
<th>Objectives</th>
<th>Findings</th>
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| 1  | To study innovative, dynamic and competitive nature of banking services provided by ICICI Bank. | 1) As far as ICICI Bank is concern, the customers are of the opinion that, it is a new generation progressive Bank. With regards to this, 83.2 percent of the customers think that services offered by ICICI Bank are very much innovative.  
2) Another parameter on which the customer service is judged is dynamic nature of banking services offered by ICICI Bank. Only 51.5 percent of the customers said that, the services offered by ICICI Bank are dynamic in nature.  
3) In terms of competitiveness of banking services, ICICI Bank has only 56.4 percent of customers saying its services are very much competitive. |
### Suggestions & Recommendations

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<th>To study innovative, dynamic and competitive nature of banking services provided by HDFC Bank.</th>
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<td>4) When customers were asked about the innovative nature of HDFC Bank services, around 77.5 percent of the customers said that, the services are very much innovative.</td>
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<td>5) Only 33.3 percent customers of HDFC Bank feel that the banking schemes offered by HDFC Bank are dynamic.</td>
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<td>6) HDFC Bank customers are negative about the competitiveness of banking schemes of HDFC Bank. 50 percent of them are of the opinion that the services offered by HDFC Bank are very less competitive.</td>
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<th>To study customer satisfaction in Banking services by ICICI Bank.</th>
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<td>3</td>
<td>7) The study reveals that, 83.2 percent of the customers of ICICI Bank are satisfied with the services offered by ICICI Bank.</td>
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<td>When customers were asked to rate ICICI Bank on the basis of customer services, the customers of ICICI Bank have rated ICICI Bank as follows:</td>
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Suggestions & Recommendations

a) 32.7 percent of respondent customers of ICICI Bank rated it as excellent in terms of customer services.

b) 28.7 percent of the respondent customers of ICICI Bank rated it as very good in terms of customer services.

c) 30.7 percent of the respondent customers of ICICI Bank rated it as good in terms of customer services.

d) 7.9 percent customers of ICICI Bank rated it as poor in terms of customer services.

8) For measuring the customer satisfaction only products and services are not enough, but it has to be studied in totality. That is the reason the researcher has included communication from banks to customers as major factor for judging the customer satisfaction. In this connection the customers were asked about the communication from ICICI Bank. Around 80.2 percent respondent customers are satisfied with the bank's communication on new services, opening of new branches, changes in interest rates etc.

9) As far as marketing of banking services is concern, 34.6 percent of the customers of ICICI
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Bank are always satisfied with the way ICICI Bank markets its banking services. However, 61.4% of the ICICI Bank customers are sometimes satisfied with marketing of ICICI Bank services. And 4% of customers are rarely satisfied.

10) ICICI Bank has 11.9% customers who are not satisfied with the services offered by ICICI Bank and followings are the reasons for dissatisfaction:

a) 8.9% customers are not satisfied because of services.
b) 1.0% customers are not satisfied because of schemes offered by ICICI Bank.
c) 7.9% customers are not satisfied with the staff of ICICI Bank.
d) 7.0% customers of ICICI Bank are not satisfied because of banking charges.
e) 4.0% customers of ICICI Bank are not satisfied because of the time taken for transaction.
11) It is also found by the researcher that 76.5 percent of the customers of HDFC Bank are satisfied with the banking services offered by HDFC Bank.

12) The customers of HDFC Bank have rated the bank on the basis of customer services, which is as follows:

   a) Out of total respondent customers around 25.5 percent of HDFC Bank customers said it is excellent in terms of customer services.
   b) Out of total respondent customers of HDFC Bank, 32.4 percent said that the bank is very good in terms of customer services.
   c) The respondent customers who replied as the bank is good stand at 37.3 percent HDFC Bank in terms of customer services.
   d) 4.8 percent of the respondent customers of HDFC Bank rated it as poor in terms of customer services.

13) With regards to communication from bank 85.3 percent HDFC Bank customers are satisfied with communication about new
services, changes in interest rates, opening of new branches etc.

14) It is found that, 50 percent of the customers of HDFC Bank are sometimes satisfied with the way HDFC Bank markets its products, whereas 47.1 percent customers of HDFC Bank are always satisfied with the way the bank markets its services.

15) HDFC Bank has 7.9 percent customers who are not satisfied with its services. The study also attempts to find out the reasons for dissatisfaction of services of HDFC Bank.

The study reveals that:

a) 6.9 percent of the customers of HDFC Bank are not satisfied because of services.

b) 3.9 percent customers of HDFC Bank are not satisfied with the schemes offered by HDFC Bank.

c) 13.7 percent of the customers are not satisfied with the staff of HDFC Bank.

d) 10.8 percent Customers of HDFC Bank are not satisfied with service charges
To compare HDFC Bank and ICICI Bank in terms of customer satisfaction.

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<td><strong>To compare HDFC Bank and ICICI Bank in terms of customer satisfaction.</strong></td>
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16) As far as the comparison of both the banks regarding innovative nature of banking services is concerned, it is found out that ICICI Bank offers more innovative schemes than HDFC Bank.

17) Again in comparison with HDFC Bank, ICICI Bank stands first in terms of dynamism of customer services.

18) When both the banks are compared in terms of competitiveness of services, it is found that ICICI Bank’s services are more competitive than HDFC Bank services.

19) As per the marketing personnel of ICICI Bank, 41 percent of its customers are always satisfied with various services offered by ICICI Bank.

20) As per the marketing personnel of HDFC Bank, 20 percent of its customers are always satisfied with various services offered by HDFC Bank.
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<th>6</th>
<th>To highlight the problems involved in marketing of banking services with regards to ICICI Bank.</th>
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21) The researcher has attempted to find out the reasons for problems in marketing of ICICI Bank services. The reasons which emerged from the study are as follows:

a) Out of total respondents, 5 percent of the marketing staff faces problems in marketing the banking services of ICICI Bank all the times.
b) 11 percent of the marketing staff face problem in marketing the banking services of ICICI Bank most of the times.
c) However, 75 percent of the marketing staff face problems in marketing the banking services of ICICI Bank only sometimes.
d) There are 8 percent of marketing staff who never faced problems in marketing of banking services of ICICI Bank.

22) The marketing problems faced by marketing staff is related to banking products 9 percent, marketing strategies 10 percent, Service charges 63 percent, banking staff 10 percent and other 8 percent.

23) The frequently cited reasons, which are faced by the marketing personnel while
marketing the banking services of ICICI Bank. Out of 100 respondents only 1 percent said that they face problems related to products i.e. schemes all the times, 5 percent of the respondents said they face problem related to products most of the times, and 33 percent respondents said they face problems related to products sometimes and finally 61 percent said they never have problem related to products of the ICICI Bank.

24) The frequently faced problems of marketing strategy faced by marketing staff of ICICI Bank is as follows, around 3 percent respondents feel that they have marketing problems all the time regarding marketing strategies adopted by ICICI Bank, around 8 percent have the opinion that marketing strategies affect them to convince the customer most of the times. And 37 percent marketing staff feels that sometimes they face problems in convincing the customers because of the marketing strategies adopted by ICICI Bank. Finally 52 percent field staff has never had the problem because of the marketing strategies of ICICI Bank.

25) The respondents were asked about the
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frequency of the problems in marketing ICICI Bank’s services to customers because of service charges. 8 percent have replied that, they never had problems because of service charges, whereas the problem faced by 4 percent all the time, 41 percent some times and 47 percent most of the times.

26) When asked about the staff as a reason for problem in marketing banking services of ICICI Bank, the replies given by the staff has been grouped into the following replies.
2 percent faced problem all the times, 11 percent faced problems most of the times, 69 percent had problems sometimes and only 18 percent never had problems because of the staff of the ICICI Bank.

27) Only 2 percent feel that they faced problem in convincing the customers all the times because of all the problems stated above, 9 percent have problems most of the time, 79 percent faced problems some times and 10 percent never had problems because of all these reason to convince the customers.
To highlight the problems involved in marketing of banking services with regards to HDFC Bank

28) When the marketing personnel were asked about the problems in marketing of HDFC Bank services, the reply given by them are as follows:
   a) 6 percent of the marketing staff face problems in marketing the banking services of HDFC Bank all the times.
   b) 4 percent of the marketing staff face problem in marketing the banking services of HDFC Bank most of the times.
   c) 85 percent of the marketing staff had problems in marketing the banking services of HDFC Bank only sometimes.
   d) 5 percent of the marketing staff never had problems in marketing the banking services of HDFC Bank

It is found that, the marketing problems faced by marketing staff of HDFC Bank related to banking products 8 percent, marketing strategies 12 percent, Service charges 55 percent, banking staff 20 percent and other 5 percent.

29) Only 5 percent of the marketing staff of HDFC Bank had replied that they never had problems because of service charges, whereas most other had replied that they had problems.
45 percent said they face problems because of charges all the time, 20 percent some times and 30 percent most of the times.

30) When asked about the staff as a reason for problem in marketing banking services of HDFC Bank, the replies given by the staff as been grouped as follows.

25 percent face problem all the times, 33 percent face problems most of the times, 39 percent had problems sometimes and only 3 percent never had problems because of the staff.

31) Only 1 percent of HDFC Bank marketing staff feels that they face problem in convincing the customers all the times because of all the problems stated above, 36 percent have problems most of the time, 51 percent have problems some times, 12 percent never had problems because of all the above stated reasons to convince the customers.
9.6 Suggestion & Recommendations

A) General Suggestions & Recommendations

1) Private sector banks enjoy certain distinguishing advantages over public sector banks. However, there are certain areas where private banks need to improve upon. In banking sector, the success of a bank mostly depends upon the dedicated staff. In order to be successful in business, private sector banks have to efficiently manage their work culture, and such work culture can be improved by nurturing the dedication and loyalty of their staff. This is possible only when the banks have their permanent staff whereas in reality, most of the private sector banks adopt the policy of hire-and fire. With this kind of environment, banks cannot create loyal and dedicated staff. In this connection it is suggested that private sector banks should give-up the policy of hire-fire. It should provide more secure work culture to employees so as to create the dedicated and loyal employees.

2) Customer based directs mail program should systematically and regularly implemented to address the ongoing credit needs, changes, difficulties of current customers to minimize account turnover.
However ample care should be taken so that the customers should not treat them as Junk Mail completely.

3) A market research program to track customer awareness, attitudes, and satisfaction level over the time should be followed consistently by private sector banks. The findings and suggestions of such programmes should be implemented.

4) The need for adopting marketing approach to banking services is more urgent now, than ever before. In order to grow, prosper, and even to survive, a bank has to keep up with the pace of changing customer needs and preferences.

5) Customers’ needs must be kept as a central point in determining the marketing mix while offering the banking services.

6) Customer is the focal point around which all other activities of the bank revolve. The banker should always have a patient ear to the customers. Every customer is a king in his own way and deserves to be treated with calm, composed and pleasant mannerism. Each customer has his own likes, dislikes. Each one is different from other.

7) Understanding the needs of the customers is important aspect of the relationship banking. The needs of the customers can be understood through discussion and conversation. Once the relationship is
developed and the needs of the customers are ascertained, the banker can slowly start making suggestions regarding his products/services that can meet the needs of the customers. The banker should always be sincere and honest in his approach this way he can earn the confidence of the customers.

8) Most of the bank’s web sites are in English, which is not understood by majority of people because they are either illiterate or have not completed their education in English. Such people find it difficult to carry out or understand the transaction through retail banking. ICICI Bank, which is eyeing on the big share of rural market should note this and design websites which are multilingual.

B) Specific Suggestions & Recommendations

I) HRD in Banks

1) The staff of ICICI Bank and HDFC Bank needs to be well informed and should have in-depth knowledge of all its products and services.

2) The major complaint of the customers and prospective customers of both ICICI Bank and HDFC Bank is the performance of its call centre. The ICICI Bank and HDFC Bank required to hire right kind
of people, with adequate knowledge of banking services especially at bank’s call centres.

3) Training programmes should be devised for all staff including call centre and Staff of Direct Sales Associates or Associates of ICICI Bank and HDFC Bank. More importance should be given to upgrade product knowledge and communication skills in such training programmes.

4) There is a need for ICICI Bank and HDFC Bank’s staff to have training in the areas of technology and interactive skills in all the branches.

5) The marketing personnel selected by direct sales associates of ICICI Bank and HDFC Bank should be more qualified, in terms of education, product knowledge, communication skills, etc.

6) In the bank, the customer’s first encounter with bank is the front desk. Therefore the image, and satisfaction of customers after interaction with the front office will form the first impression of the banks on his mind. As such, the front office personnel who respects the bank to the customers should be pleasant in appearance with appealing personality who represent the bank to the customers should be pleasant in appearance appealing attitude
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Though the dress code, ambiance of the office and courtesy of the staff really matters, but all these factors will be ineffective if the staff does not provide answer/solution to customer’s query/problem because of lack of product knowledge.

7) In order to have an efficient staff, bank should attract best talent and retain these talents by right kind of policies.

8) Both these banks need to develop service oriented internal processes.

9) Needs to include employee’s participation in the banks.

10) Right kind of reward to be provided to efficient service provider.

11) Both the banks need to adopt customer oriented service delivery.

II) Marketing

1) The ICICI Bank and HDFC can work towards reducing transaction cost by speedy decision-making. The banks can achieve this by creating flat organizational structure with minimum hierarchy. Here the staff also needs to show innovative and creative abilities. Similarly, in case of lending, these banks should adopt less complex procedure by simplifying the lending procedure. The important factor
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to be considered by these banks is flexibility, by adopting simplified banking procedures and practices.

2) Meaningful appraisal of customers' services is an essential activity for ICICI Bank and HDFC Bank. This can be done with customer surveys at regular intervals. Information collected through such Surveys, after analyzing will throw light for rectification, refinement, which will go in a long way to improve customer services in banks.

3) The banks should maintain a feedback team, which should be given authority to solve customers' complaints satisfactorily. In fact, each and every operational branch should have a response team for such complaints redressal and feedback. These customers complaints should be reviewed at monthly meetings at branch level and rectify the deficiencies prevailing either in system or services.

4) Relationship banking means having a mutually beneficial and long-term relationship not only with the existing customers, but also with the prospective customers. ICICI Bank and HDFC Bank should use this technique to attract and retain customers.

5) With regard to marketing of services, it is observed that the banks give more importance to external marketing. Along with external marketing, internal marketing process also plays important part in
making a bank successful. Internal marketing involves providing proper support system, promoting team work, hiring right kind of people, retaining the best people, developing the service oriented internal processes. These internal marketing factors are shown in the figure 9.1 below

Figure 9.1
Internal Marketing Factors.

Source: Services Marketing and Management- B. Balaji, S. Chand & Company Ltd., New Delhi 2002. Pg. 336
III) Service Charges.

The major reason, which has emerged from the present study for customers' dissatisfaction with the ICICI Bank, is service charges charged by the Bank. Out of sample respondent customers, 7.0 percent of customer's reason for dissatisfaction is service charges charged by ICICI Bank. In case of HDFC Bank the percentage is 10.8 percent. In this connection ICICI Bank and HDFC Bank should take some constructive steps to solve this major reason of dissatisfaction. The researcher has given following suggestions and recommendations in respect of service charges.

1. The amount required to open saving account and minimum balance with both the banks is Rs. 5000/- should be reduced. Because the middle class customers find it too high for opening of saving account.

2. If customer is having account in either ICICI Bank or HDFC Bank cheque bounces the customer has to pay between Rs.300 to Rs. 500 whereas in public sector banks its is Rs. 50 to Rs.75 as fines and charges which is almost 10 percent o the charges charged by private sector banks. These two banks should do a reality check and accordingly fix their charges.
3. To attract customers the banks offer innovative products. However after only its usage the customers realize that the product carries with it some hidden charges, which were initially not visible or informed. For example ICICI Bank collects charges if a customer does more than the stipulated transactions (withdrawals) in a month. However this kind of hidden cost is never informed the customers before hand.

4. HDFC Bank reduced the interest rate of interest from 2.95 percent per month to 2.75 percent per month on the outstanding dues if the credit card is renewed and card holder doesn’t have outstanding dues for the previous year. It was found during the study that many customers were not aware of such information. Thus there is a need for bank to provide adequate information to the customers regarding its products, services, polices before hand.

5. The ‘Fair Practices Code ’ on lenders’ liability. This code should be adopted by Banks’ board of directors. The code requires banks and financial institutions to be fair and transparent as lenders while dealing with loan application of the borrowers. Banks and financial institutions should provide comprehensive information to the borrower such as
fee/ charges which would be levied while processing the loans, the amount of fees that will be refunded in the cases where loan application is rejected and prepayment option available for the borrower and the amount of penal charges in case of prepayment, etc.

9.7 Conclusions

A) General Conclusion:

a) The services provided by private sector banks are more efficient and innovative than the public sector banks.

b) Private sector banks services are backed by technological innovations.

c) In terms of providing customer satisfaction, private sector banks are leaders in comparison with public sector banks.

d) Private sector banks have better delivery system and innovative products with customer centric marketing strategies.

e) Private sector banks have more professional approach.

f) The customer’s choice and awareness have increased tremendously; the customer can go elsewhere, if they don’t get what they want. Continuous improvement is needed in customer services, products and delivery channels in order to maintain the existing customer’s loyalty.
It is now a realized fact that, the cost of acquiring the new customer is higher than the cost of retaining the existing one.

B) Specific Conclusion:

1. ICICI Bank and HDFC Bank both provide innovative services to It’s Customers.

2. Comparing both the banks in terms of innovative services, ICICI Bank is better than HDFC Bank.

3. The services provided by ICICI Bank and HDFC Bank are dynamic and competitive.

4. ICICI Bank and HDFC Bank are new generation private sector banks, which always believe in technological upgradation. This fact is reflected in the way these banks distribute and market their products.

5. The customers are satisfied with the various services offered by ICICI Bank. Similarly customers of HDFC Bank are satisfied with the services offered by HDFC Bank. On comparison, it is found that ICICI Bank has more customers who are satisfied with the services at 83.2 percent, as compared to 76.5 percent in case of HDFC Bank.

6. Both the bank’s customers are satisfied with the way bank Communicates to them about service charges, changes in interest rates,
opening of new branches, offering new services, etc. In this regards HDFC Bank has upper hand at 85.3 percent as compared to ICICI Bank which has 80.2 percent. This is one area where ICICI Bank has to concentrate to improve and maintain its position of largest private sector bank in India.

7. ICICI Bank is largest private sector bank in India; recently it has acquired the position of Universal Bank. Universal bank is generally a large bank with extensive network of branches that provide many different financial services and are principally engaged in commercial Banking, investment banking, securities and even insurance.

8. In comparison of ICICI Bank and HDFC Bank it is found that ICICI Bank markets its services very aggressively and that could be the reason why it is so successful. However in case of HDFC Bank, it has a very cautious approach towards marketing of banking services.

9. On the basis of customer services, the customers of ICICI Bank have rated the bank in the following way, 32.7 percent rated it as excellent, 28.7 percent as very good, 30.7 percent as good, and 7.9 percent as poor. In case of HDFC Bank, 25.5 percent customers have rated it as excellent, 32.4 percent rated as very good, 37.3 percent rated as well and 4.9 percent rated as poor. The researcher has observed that, the
customers who have rated services as excellent are more in ICICI Bank than is HDFC Bank. Whereas reverse is the case about poor rating of services, ICICI Bank have more customers rating it as poor, however HDFC Bank has less customer who rated it as poor.

10. The reasons for dissatisfaction of banking services with both the banks are more or less similar. In case of ICICI Bank the main reasons given by customers for dissatisfaction are, service charges (7.0%), banking staff (7.9%) and time taken for transaction (4.0%). Similarly the reasons for HDFC Bank are banking staff (13.7%), service charges (10.8%) and time taken for transaction (3.9%). HDFC Bank is having more customers who are dissatisfied with service charges as compared to ICICI Bank; in case of banking staff also HDFC has more customers who are dissatisfied with banking staff as compared to ICICI Bank. Whereas in case of time taken for transaction, ICICI Bank has more customers who are not happy with it as compared to HDFC Bank.