

A Study on Customer Satisfaction Towards Banking Services Provided by ICICI Bank

Khushi R. Ninawe, MCom Sem-IV, Dr S. C. Gulhane Prerna College of Commerce, Science and Arts, Nagpur, MS, (India)

Dr. Swarda. M. Gulhane, Assistant Professor, Department of Management, Dr S. C. Gulhane Prerna College of Commerce, Science and Arts, Nagpur, MS, (India)

Abstract

Service provides us with greater happiness in our lives, whether apparent or not, but it does not reward us with more money. Banking plays an essential part in the economic growth of the country in this situation for our happiness and completion of our goals. It is a cornerstone of any prosperous nation's economy. ICICI Bank has collaborated with consumers to develop services that meet their requirements. Because it is a private bank, this research is based on the many types of services given by ICICI Bank in comparison to government-owned banks. At this time, private banks are quite powerful and provide extremely high services. This bank is mainly concerned with enhancing the client experience. Many new private sector banks have emerged, resulting in significant changes in India's banking system. Increased competition in the banking business was one of the developments brought about by these banks. This poll was useful in determining how consumers' attitudes are shifting in favour of the ICICI Bank's services.

Keywords: Customer satisfaction; technology; Traditional and Modern banking; assurance; responsiveness; Reserve Bank of India.

I. INTRODUCTION

A well-functioning financial sector is widely regarded as the most important factor in a country's overall development. Our society's most significant institution is the bank, which provides him with more financial and non-financial assistance for our needs. The Covid-19 epidemic would have an influence on the Indian economy, causing a drop in industrial and service output in both small and large firms. In the short to medium term, fewer loan possibilities and income are projected to have an impact on the bank's operation. The impact of Covid-19 pandemic on bank's results, including credit quality and provisions, remains uncertain and dependent on the spread of Covid-19, further steps taken by the government and the central bank to mitigate the economic impact, steps taken by the bank and the time it takes for economic impact, steps taken by the bank and the time it takes for economic activities to resume at normal levels. The bank's capital and liquidity position is strong and would continue to be the focus area for the bank during this period. The banking sector has shown a remarkable responsiveness to the need of the planned economy. It has made significant success in deposit mobilization and has recently implemented a number of initiatives aimed at boosting the rate of deposit growth. It has made significant success in deposit mobilization and has recently implemented a number of initiatives aimed at

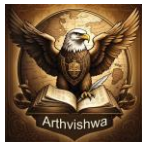
boosting the rate of deposit growth. ICICI Bank is India's second largest and most prominent private sector bank. The company's headquarters are in Mumbai, India. The Industrial Credit and Investment Corporation (ICICI) founded ICICI Bank. Before changing its name to the shortened ICICI Bank, the bank was known as Industrial Credit and Investment Corporation of India. It is the first Indian bank to be listed on the New York Stock Exchange, with a network that spans 19 countries, including India. We discovered what services ICICI Bank offers, as well as whether or not they are particularly creative, via our investigation. The results of this study show how ICICI Bank meets the needs of its clients.

II. ROLE OF CUSTOMER TOWARDS BANKING SERVICES:

III. RELIABILITY-Reliability refers to the customers' perception with regard to the redemption of Customer Service has a pivotal role in ensuring the growth of a bank. With the adoption of good customer service, people will no longer pay heed to the stereotypical fears of going to a bank. People will be encouraged to stay financially informed and make financially beneficial decisions

III. EVOLUTION OF ICICI BANK

The Industrial Credit and Investment Corporation of India (ICICI) was a government institution established on 5 January 1955 and Sir Arcot Ramasamy Mudaliar was elected as the first Chairman of ICICI Ltd. It was



structured as a joint-venture of the World Bank, India's public-sector banks and public-sector insurance companies to provide project financing to Indian industry.^{[19][20]} ICICI Bank was established by ICICI, as a wholly owned subsidiary in 1994 in Vadodara. The bank was founded as the **Industrial Credit and Investment Corporation of India Bank**, before it changed its name to ICICI Bank. In October 2001, the Boards of Directors of ICICI and ICICI Bank approved the merger of ICICI and two of its wholly-owned retail finance subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, with ICICI Bank.

IV. NEED OF CUSTOMER SATISFACTION IN BANKING SECTOR

Customer satisfaction is crucial in banking because it directly impacts customer loyalty, trust, and ultimately, a bank's profitability; satisfied customers are more likely to stay with the bank, use more services, recommend it to others, and contribute to long-term business growth, while dissatisfied customers can quickly switch to competitors and damage the bank's reputation through negative feedback.

Customer satisfaction is important in banking because it builds trust, loyalty, and revenue. Satisfied customers are more likely to recommend their bank to others.

Why it's important

- **Trust:** Satisfied customers are more likely to trust their bank.
- **Loyalty:** Satisfied customers are more likely to stay with the bank and buy more.
- **Reputation:** Positive word-of-mouth recommendations can help acquire new customers.

V. BRIDGING THE GAP BETWEEN CUSTOMER SERVICE RECEIVED - CUSTOMER EXPECTATION OF SERVICE

In this way it is easy to generalize that if the perception of the service received exceeds the expectation of the service, customer's satisfaction will be positive. On the other hand if the perception of the service received is less than the level of expectation of the service, it would lead to customer dissatisfaction. But customer satisfaction is highly effected by the other factors like experience, purchase decision, service provider, price, etc. There is a substantial body of empirical literature that

establishes the benefits of customer satisfaction for firms. It is well established that satisfied customers are key to long-term business success. Companies that have a more satisfied customer base also experience higher economic returns. Consequently, higher customer satisfaction leads to greater customer loyalty; which in turn leads to higher future revenue. Indian banking industries is facing various kind of ups and downs in the current scenario. There are some specific reasons like lowering of entry barriers, increasing product line of banks and non-banks, etc. Since the financial reforms, bank are also facing huge competitive pressure therefore it is inevitable for the banks to maintain loyal customers based, besides banks are trying to make strategies towards customers satisfaction and loyalty through improved service quality to achieve and improve their marker and profit

VII. IMPACT OF CUSTOMER SATISFACTION TOWARDS BANKING

Customer Retention:

Satisfied customers are more likely to remain with a bank, reducing the need to constantly acquire new customers which is often more costly.

Increased Loyalty:

High satisfaction levels foster customer loyalty, encouraging them to use more products and services offered by the bank.

Positive Word-of-Mouth:

Satisfied customers are more likely to recommend the bank to friends and family, generating organic growth.

Reduced Complaints:

Customers who are happy with the service are less likely to file complaints or disputes.

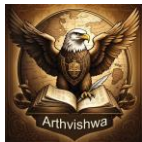
VIII. CHALLENGES AND OPPORTUNITIES FOR CUSTOMER SATISFACTION TOWARDS ICICI BANKING:

ICICI Bank has both challenges and opportunities in terms of customer satisfaction.

Challenges

- **ATM services:** Some customers are dissatisfied with the quality of printouts and the availability of ATMs
- **Awareness:** Some customers are not aware of the services offered by ICICI Bank
- **Notice boards:** Some customers feel that notice boards don't have adequate information

Opportunities



- Customer satisfaction: ICICI Bank focuses on customer satisfaction
- Service quality: Customers are generally satisfied with the quality of service provided by ICICI Bank
- Modern equipment: ICICI Bank has modern-looking equipment and fixtures

Other considerations

- Customer loyalty: Customer service is a significant predictor of customer loyalty
- Branch experience: The appearance of the branch, seating arrangements, and working hours can affect customer satisfaction
- Online banking: The convenience of online banking channels can affect customer satisfaction
- Customer needs: Banks need to keep an eye on changing customer needs
- Competition: The banking industry is competitive
- Government policies: Government policies can affect the banking industry
- Technological developments: Technological developments can affect the banking industry

IX. FUTURE DIRECTIONS & IMPLICATIONS

In the future of banking, customer satisfaction will increasingly focus on personalized, seamless digital experiences, leveraging AI and data analytics to proactively address customer needs, prioritize hyper-customization, and build deeper customer relationships, with key implications including increased customer loyalty, improved revenue generation, and a competitive advantage in the market.

AI-powered customer service:

Implementing AI chatbots and virtual assistants for immediate support, resolving queries, and providing proactive recommendations.

Financial wellness tools:

Integrating tools that help customers manage their finances, track spending, and achieve financial goals.

Sustainable banking solutions:

Offering environmentally conscious products and services, aligning with customer values.

Data privacy and security:

Prioritizing robust data protection measures to build customer trust.

X. CONCLUSION

ICICI Bank is India's second largest and most well-known private sector bank, as evidenced by our poll, which found that customers prefer to open a savings account with ICICI Bank because they are wellversed in their bank's interest rates. Customers also used current accounts, and it was decided that saving accounts are more important to customers since they are satisfied with bank interest rates. It's also depicted in a graph. According to the data gathered, the majority of the replies belong to the ICICI bank for 1 to 6 years and for more than 6 years. According to the data gathered, 55% of consumers use a bank-issued credit card, and 56.7% of customers are satisfied with their credit card payment procedures. Consumers are also satisfied with their policies and products, such as insurance and loan policies, however we have noticed that the majority of customers do not take loans from ICICI Bank, as evidenced by a poll. Customers are pleased with the bank's mobile banking services. The majority of clients suggest ICICI Bank to others. Today, client engagement, in combination with a strong infrastructure and excellent service, strengthens the client's faith in the institution or organization known as a bank. It will grow inexorably due to its outstanding stakes, which include easy account setup, quick loan approval, and a flexible and customer-friendly stake.

REFERENCES

1. Impact of Service Quality in Commercial Banks on the Customer Satisfaction: An Empirical Study, International Journal of Multidisciplinary Research, Vol. I, Issue 6, October 2011, ISSN 2231 5780, pp. 19-37
2. Alpesh Gajera, Vijay Pit hadia, —Financial Performance Evaluation of Private & Public Sector Banks with Reference to Capital Adequacy Ratio, PARIPEX – Indian Journal of Research, Volume No. 4 (2015), Issue No. 05(May) ISSN No. 2250-1991
3. Growth of E-Banking in India. International Journal of Research in Finance and Marketing (IJRFM). 2017;7(5):88-94.
4. Abdul Khalique Talukder (2018), —Service quality and its impact on customer satisfaction in banking sector. International journal of Management Technology and Engineering, Volume 8 Issue 11, ISSN 2249-7455, pp.no.341- 34