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## **Qualitative Analysis in Retail Banking with reference to Private Sector Banks and Public Sector Banks**

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### **ABSTRACT**

In Retail banking the focus of services are mainly toward individual consumers. Retail banking provide a wide range of personal banking services, offering savings and current accounts, bill paying services, debit and credit cards, mortgages and personal loans etc. With the technological development and hectic life style, majority of the people are availing more and more services offered by the banks which ultimately results into enormous growth in the retail banking.

It is imperative for the banks to create a loyal customer base in order to either maintain or increase its market share. The loyal and satisfied customer base can be created by offering quality services. The present study focuses on the performance of the private sector banks and public sector banks in the domain of retail banking. The study is related to few public sector banks and private sector banks. The present study is an attempt to analyze service delivery of different banks with the help of questionnaire which is filled by customers who have given rating on various service parameters.

In present study, customer satisfaction index of different banks located at Nagpur have been carried out. These findings have significant implications for both the banks to develop strategies to handle the competitive pressures and organize their resource in an efficient way to increase market share. The various parameters for customer satisfaction index were quality of services offered, redressal of complaints, personalized service, technology support, queries satisfaction etc.

### **INTRODUCTION**

Banking has been very vital service for the development of economy and business. As the banks are providing more and more services, people are benefited by it. The business of retail banking of private and public sector banks has increased. Across the globe, retail lending has been a spectacular innovation in the commercial banking sector in recent years. The growth of retail banking, especially in developing countries, is attributable to rapid advances in information technology, financial market reforms, demand and supply factors etc.

India too experienced a surge in retail banking. There are various pointers towards this. Retail loan is estimated to have accounted for nearly one-fifth of all bank credit. Housing sector is experiencing a boom in its credit. The retail loan market has decisively got transformed from a seller's market to a buyer's market. Gone are the days where getting a retail loan was somewhat cumbersome. All these emphasize the momentum that retail banking is experiencing in the Indian economy in recent years.

Retail banking is quite broad in nature. Retail banking refers to the dealing of commercial banks with individual customers, both on liabilities side and assets side of balance sheet. Current account, saving account, fixed account on liabilities side; personal loan, housing loan, auto loan, education loan on the assets side, are some of the important products offered by banks. Related products provided by the banks are credit cards, depository services etc. Today's retail banking sector is characterized by:-

- Multiple products (deposits, credit cards, insurance, investments).
- Multiple channels of distribution (call centre, branch, and internet).

The business of retail banking is increasing in India. Nowadays people are using more and more retail banking services provided by the banks. Almost all commercial banks in India are offering retail banking services. The examples of some of the commercial banks offering retail banking services are Axis Bank, HDFC Bank, ICICI Bank, Citi Bank, Punjab National Bank etc. There is a vast potential for the expansion of retail banking in Nagpur. In the years to come retail banking will have a tremendous growth in rural areas as well.

'Retail Banking' refers to the banking in which banks transacts directly with the consumers, rather than by corporations or other banks.

'Critical Study' means to judge, characterized by careful observation and evaluation.

'Growth' means development from one stage to another. In other words, growth means expansion.

## **RATIONALES BEHIND THE STUDY**

In recent years the business of retail banking has increased tremendously. People are earning more and are spending more. Earlier if a person possesses a credit card, it symbolized status, but today it is not so. Almost all the banks are marketing their retail banking services and hence the business of retail banking is increasing; which encouraged me to choose this topic.

## **LIMITATIONS**

1. The study is limited to Nagpur banks only.
2. The study is limited to selected banks in Nagpur.

## **RESEARCH METHODOLOGY**

In order to fulfill the above aims and objectives, following research methodology has been used. For the purpose of present study, selected banks of Nagpur have been included.

### Sampling Frame:-

The sampling frame is comprised of:

1. Nagpur based public and private sector banks.
2. Various customers of public and private sector banks of Nagpur.

### Sampling Size:-

The details regarding sample size is depicted in Table No. 1

Table No. 1 Sample Size

<b>S.No.</b>	<b>Sampling Unit</b>	<b>Sample Size</b>
1.	Nagpur based public and private sector banks.	10
2.	Customers of public and private sectors banks in Nagpur.	75-110 customers of each bank.

### Data Collection:-

The data has be collected through primary and secondary sources. The primary source of data shall be collected by conversing questionnaires. The same shall be designed in English. The secondary data will be collected from various books (as mentioned in proposed Bibliography) and websites.

### Data Analysis:-

Adequate statistical techniques or apparent analysis, as the case may be, will be used. Depending on variables in the hypothesis chosen appropriate measuring scale shall be chosen, which will aid in decision making for statistical analysis. This will be followed by appropriate conclusions and recommendations thereof.

## QUALITATIVE ANALYSIS

Q 1 > How do you perceive <b>quality of service</b> offered by the bank?				
Name of Banks	Highly Satisfied	Satisfied	Dissatisfied	Can't Say
Bank of India	4.95	74.26	17.82	1.98
Axis Bank	0.99	88.12	6.93	2.97
ICICI Bank	32.00	56.00	12.00	0.00
HDFC Bank	15.15	76.77	8.08	0.00
State Bank of India	4.00	80.00	12.00	4.00
Bank of Baroda	5.00	85.00	2.50	7.50
Bank of Maharashtra	19.00	75.00	6.00	0.00
IDBI Bank	8.16	85.71	5.10	1.02
Union Bank of India	5.38	82.80	11.83	0.00
Punjab National Bank	28.10	52.07	12.40	6.61

Q 2 > How fast your <b>complaints</b> are resolved?				
Name of Banks	0 to 10 days	10 to 20 days	20 to 30 days	More than 30 days
Bank of India	49.50	23.76	13.86	11.88
Axis Bank	36.63	32.67	24.75	4.95
ICICI Bank	17.00	43.00	35.00	5.00
HDFC Bank	47.47	30.30	3.03	19.19
State Bank of India	60.00	24.00	14.00	2.00
Bank of Baroda	73.75	17.50	2.50	6.25
Bank of Maharashtra	50.00	34.00	14.00	2.00
IDBI Bank	44.90	34.69	13.27	4.08
Union Bank of India	40.86	10.75	5.38	4.30
Punjab National Bank	20.66	35.54	23.97	7.44

**Q 3 > Are you satisfied with the solution provided by the bank for your complaints?**

<b>Name of Banks</b>	<b>Highly Satisfied</b>	<b>Satisfied</b>	<b>Dissatisfied</b>	<b>Can't Say</b>
Bank of India	7.92	57.43	26.73	6.93
Axis Bank	0.99	77.23	4.95	15.84
ICICI Bank	5.00	74.00	5.00	16.00
HDFC Bank	8.08	58.59	10.10	23.23
State Bank of India	6.00	50.00	4.00	40.00
Bank of Baroda	3.75	71.25	15.00	10.00
Bank of Maharashtra	32.00	50.00	4.00	14.00
IDBI Bank	9.18	67.35	9.18	11.22
Union Bank of India	1.08	51.61	6.45	4.30
Punjab National Bank	10.74	57.02	19.83	3.31

**Q 4 > Have you availed any personalized services of the bank?**

<b>Name of Banks</b>	<b>Yes</b>	<b>No</b>
Bank of India	55.45	43.56
Axis Bank	31.68	67.33
ICICI Bank	30.00	70.00
HDFC Bank	39.39	60.61
State Bank of India	10.00	90.00
Bank of Baroda	30.00	70.00
Bank of Maharashtra	12.00	87.00
IDBI Bank	50.00	41.84
Union Bank of India	27.96	74.19
Punjab National Bank	25.62	62.81

Q 5 > How far the <b>front end executive</b> extends support to your queries?				
<b>Name of Banks</b>	<b>Highly Satisfied</b>	<b>Satisfied</b>	<b>Dissatisfied</b>	<b>Can't Say</b>
Bank of India	5.94	58.42	22.77	11.88
Axis Bank	0.00	85.15	5.94	7.92
ICICI Bank	0.00	78.00	10.00	12.00
HDFC Bank	10.10	61.62	11.11	17.17
State Bank of India	6.00	60.00	19.00	15.00
Bank of Baroda	5.00	73.75	13.75	7.50
Bank of Maharashtra	6.00	69.00	10.00	15.00
IDBI Bank	15.31	70.41	5.10	8.16
Union Bank of India	4.30	76.34	18.28	1.08
Punjab National Bank	20.66	57.02	15.70	1.65

Q 6 > Are you satisfied with the <b>number and location of ATMs</b> ?				
<b>Name of Banks</b>	<b>Highly Satisfied</b>	<b>Satisfied</b>	<b>Dissatisfied</b>	<b>Can't Say</b>
Bank of India	0.99	38.61	19.80	39.60
Axis Bank	1.98	67.33	24.75	4.95
ICICI Bank	2.00	68.00	25.00	5.00
HDFC Bank	6.06	51.52	39.39	3.03
State Bank of India	30.00	50.00	17.00	3.00
Bank of Baroda	7.50	58.75	28.75	8.75
Bank of Maharashtra	30.00	50.00	17.00	3.00
IDBI Bank	3.06	44.90	28.57	19.39
Union Bank of India	2.15	54.84	11.83	11.83
Punjab National Bank	15.70	52.89	18.18	4.96

Q 7 > Have you encountered any <b>problem in ATM?</b>				
<b>Name of Banks</b>	<b>Inadequate Cash</b>	<b>Connectivity error</b>	<b>Unable to get transaction slip</b>	<b>Long queue</b>
Bank of India	3.96	4.95	4.95	5.94
Axis Bank	13.86	41.58	29.70	13.86
ICICI Bank	20.00	34.00	30.00	16.00
HDFC Bank	6.06	10.10	9.09	28.28
State Bank of India	9.00	52.00	3.00	36.00
Bank of Baroda	5.00	73.75	15.00	6.25
Bank of Maharashtra	5.00	52.00	7.00	36.00
IDBI Bank	26.53	37.76	4.08	5.10
Union Bank of India	12.90	7.53	2.15	5.38
Punjab National Bank	23.14	44.63	12.40	4.13

Q 8 > Are you aware of <b>internet banking services</b> provided by the bank?		
<b>Name of Banks</b>	<b>Yes</b>	<b>No</b>
Bank of India	50.50	48.51
Axis Bank	53.47	45.54
ICICI Bank	74.00	26.00
HDFC Bank	76.77	23.23
State Bank of India	60.00	40.00
Bank of Baroda	55.00	45.00
Bank of Maharashtra	75.00	25.00
IDBI Bank	64.29	34.69
Union Bank of India	46.24	50.54
Punjab National Bank	44.63	50.41

<b>Q 9 &gt; Do you feel insecure while using Internet banking?</b>		
<b>Name of Banks</b>	<b>Yes</b>	<b>No</b>
Bank of India	49.50	49.50
Axis Bank	42.57	56.44
ICICI Bank	64.00	36.00
HDFC Bank	33.33	66.67
State Bank of India	55.00	45.00
Bank of Baroda	48.75	51.25
Bank of Maharashtra	85.00	15.00
IDBI Bank	39.80	58.16
Union Bank of India	16.13	37.63
Punjab National Bank	29.75	57.85

<b>Q 10 &gt; Are you aware of mobile banking services provided by the bank?</b>		
<b>Name of Banks</b>	<b>Yes</b>	<b>No</b>
Bank of India	44.55	54.46
Axis Bank	45.54	53.47
ICICI Bank	68.00	32.00
HDFC Bank	67.68	32.32
State Bank of India	50.00	50.00
Bank of Baroda	43.75	56.25
Bank of Maharashtra	89.00	11.00
IDBI Bank	59.18	41.84
Union Bank of India	46.24	51.61
Punjab National Bank	40.50	59.50

Q 11 > Do you <b>use mobile banking services?</b>		
<b>Name of Banks</b>	<b>Yes</b>	<b>No</b>
Bank of India	6.93	92.08
Axis Bank	34.65	64.36
ICICI Bank	45.00	55.00
HDFC Bank	36.36	63.64
State Bank of India	25.00	75.00
Bank of Baroda	23.75	76.25
Bank of Maharashtra	15.00	85.00
IDBI Bank	30.61	71.43
Union Bank of India	26.88	34.41
Punjab National Bank	20.66	61.98

Q 12 > <b>Service charges and penalty</b> (like non maintenance of AQB , non payment of EMI, credit card charges etc) are				
<b>Name of Banks</b>	<b>Very High</b>	<b>High</b>	<b>Low</b>	<b>Can't Say</b>
Bank of India	2.97	16.83	54.46	24.75
Axis Bank	1.98	27.72	53.47	15.84
ICICI Bank	2.00	48.00	34.00	16.00
HDFC Bank	17.17	49.49	19.19	14.14
State Bank of India	20.00	30.00	31.00	19.00
Bank of Baroda	1.25	32.50	52.50	13.75
Bank of Maharashtra	20.00	30.00	31.00	19.00
IDBI Bank	13.27	45.92	27.55	16.33
Union Bank of India	0.00	24.73	48.39	25.81
Punjab National Bank	16.53	24.79	25.62	15.70

Q 13 > Do banks communicate for any <b>changes in the policy</b> ?		
Name of Banks	Yes	No
Bank of India	31.68	67.33
Axis Bank	51.49	47.52
ICICI Bank	62.00	38.00
HDFC Bank	56.57	43.43
State Bank of India	15.00	85.00
Bank of Baroda	45.00	55.00
Bank of Maharashtra	15.00	85.00
IDBI Bank	51.02	40.82
Union Bank of India	55.91	43.01
Punjab National Bank	12.40	70.25

Q 14 > Are you satisfied with the **amenities** provided at bank branches (like parking space, wash rooms, sitting area, drinking water etc)

Name of Banks	Highly Satisfied	Satisfied	Dissatisfied	Can't Say
Bank of India	5.94	59.41	28.71	4.95
Axis Bank	1.98	80.20	14.85	1.98
ICICI Bank	2.00	70.00	26.00	2.00
HDFC Bank	6.06	32.32	53.54	8.08
State Bank of India	3.00	60.00	7.00	30.00
Bank of Baroda	8.75	88.75	2.50	0.00
Bank of Maharashtra	3.00	60.00	12.00	25.00
IDBI Bank	7.14	68.37	12.24	8.16
Union Bank of India	0.00	56.99	40.86	2.15
Punjab National Bank	2.48	49.59	5.79	24.79

Q 15 > How will you overall **rate the bank**?

(1 being the highest and 5 being the lowest)

Name of Banks	1	2	3	4	5
Bank of India	7.92	45.54	28.71	13.86	2.94
Axis Bank	5.94	21.78	36.63	33.66	0.98
ICICI Bank	5.00	22.00	24.00	46.00	3.00
HDFC Bank	21.21	25.25	31.31	16.16	6.12

State Bank of India	10.00	50.00	23.00	13.00	4.00
Bank of Baroda	1.25	45.00	30.00	23.75	0.00
Bank of Maharashtra	48.00	10.00	22.00	10.00	10.00
IDBI Bank	10.20	19.39	38.78	22.45	5.21
Union Bank of India	18.28	40.86	31.18	7.53	2.31
Punjab National Bank	8.26	41.32	19.01	10.74	2.73

## CONCLUSION

We have thus analyzed private and public sector banks in Nagpur. In our research we have analyzed qualitative parameters for the selected banks in Nagpur. From our analysis we have come to the conclusion that even public sector banks are giving tough fight to private sector banks in terms of service delivery. The other finding of our study was people have perceived public sector banks as more secured than private sector banks due to current financial turmoil.