



EMPIRICAL STUDY ON THE PERCEPTIONS OF CUSTOMERS ON RETAIL BANKING SERVICES IN COMMERCIAL BANKS OF ANDHRA PRADESH

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Abstract:

Retail banking in India has emerged as one of the key drivers of the overall banking industry and has witnessed enormous growth in the recent past. The Retail Banking concept is not new to banks but is now turned as an important and attractive market segment that offers opportunities for growth and development. All the needs of individual customers are taken care of in a well – integrated manner in retail banking. Retail banking is being considered as one of the most innovative financial services provided by the various commercial Public Sector Banks (PSBs), private sector and foreign banks in today's competitive environment. Retail banking has a huge potential considering the growing demand for its products viz., term deposits, consumer durable loans, auto loans, debit card, credit cards, ATM facilities, online banking, etc. Increasing competition in the banking industry is forcing banks to pay much more attention towards satisfying customers by providing wide variety of quality products/services. As the level of awareness to customers increases, it leads to increase in customer preferences. Expectations of the customers for more services by the banks are increasing day by day and this has compelled banks to innovate and offer variety of products/ services.

Key words: Retail Banking; Public sector banks; ATM facilities; Consumer durable loans; and online banking;

INTRODUCTION:

Banking is a customer oriented competitive industry (e.g. Lee and Moghavvemi, 2015; Vencataya et. al., 2019; Bençe, 2018). Any successful bank bases its product and service orientation on consumer needs. In order to survive in a cutthroat industry where client needs are constantly changing, banks must create cutting-edge products and services.

Consumer banking or personal banking or Retail banking, provide services to the general public, rather than to companies, corporations or other banks, which are often described as wholesale banking or corporate banking.

Retail banking or personal banking runs on a phrase called 'Banking at your doorsteps' which helps to give innovative products and services to customers and thus helps the banks to improve their financial position in the market. Retail banking is significantly growing in the Indian Commercial Banking sector in recent years. Excess of liquidity, more dependence of corporates on capital markets, the rising income of people with increase in purchasing power and the ability to handle debts, the increasing amount of Non Performing Assets (NPAs) from corporate sector and the future growth

potentials of the credit card business has induced banks to shift to Retail Banking operations. In the recent era, the technological innovations have changed the entire face of the retail banking services and it has become an opportunity to differentiate mature market. These technologies are user friendly to the customers without bank employee's assistance. Now a day, banking automation service is indispensable in order to obtain efficiency to provide basic financial needs.

Retail Banking Services:

Standard retail banking products/services include the following:

Savings Account

Offered by most banking financial institutions, a Savings Bank Account lets a person to deposit cash in a brick-and-mortar bank branch or an ATM deposit machine known as CDM. The funds in the Savings Account can be used for the expenses like money transfers, bill payments, etc. Bank provides nominal interests on Savings Account deposits. Customer can access funds in his Savings Account through internet or mobile banking platforms.

Current Account

It is a retail banking product designed for businesses which typically need to conduct daily transactions. For example a shop owner may want to deposit daily earnings and withdraw large sums to manage transactions. A customer of Current account enjoys the financial services like deposits and withdrawals any no. of times, pay-orders, cheques, overdraft facilities etc., to keep their businesses afloat.

Term Deposits

The retail banking products also includes term deposits. With competitive interest rates Banks offer fixed deposits and recurring deposits. One can easily open a term deposit as a retail banking customer as most banks offer this facility.

Loans

One of the most widely availed retail banking products is Loans. Banks offer variety of loans as per the requirement of the customers, including Personal Loans, Home Loans, Education Loans, Gold loans, etc. On the principal amount sanctioned by the banks interest be levied. The maximum loan amount can get by the customer and repayment tenure depends on the type of loan chosen by him/her.

Bank Cards

All banks offer debit/credit card services to their retail customers. Debit cards enable the customer to access funds in his/her account anytime. The customer can use his/her debit/credit card to shop online, pay bills, and withdraw cash from Automated Teller Machines (ATMs), but on credit card extra charges may be levied.

Banks offers everyday banking services to their retail customers. Customers need the most basic retail banking products, like a bank account, to access other types of retail banking products and services. Achieving customer satisfaction and loyalty is very much required for long term survival of any bank. Customer service is defined as the capability of any organization to constantly and consistently mould as per the customers' requirements. Satisfaction is influenced by banking product features, service fees, communication methods, and, to a smaller degree, customer convenience (Pareek, 2014). Increasing competition in the banking industry is forcing banks to pay much more attention towards satisfying customers by providing wide variety of quality products/services. With the help of modern technology customers are updating their knowledge on developments in the economic environment, which includes the financial system. In this dynamic environment, financial requirements of the customers are taking new forms like quick cash accessibility, money transfer, asset security, increased return on surplus funds, financial advice, deferred payments etc. As the level of awareness increases,

it leads to increase in customer preferences. Expectations of the customers for more services by the banks are increasing day by day and this has compelled banks to innovate and offer variety of products/ services.

NEED FOR THE STUDY:

From the historical background of traditional system on cash transaction, there are many developments has undertaken in the banking activities. In olden days, there was a concept of barter system, now in the concept of E-banking, E-commerce; M- banking lot of technological improvements has been under taken in the banking sector. In the olden days, to with draw or to deposit money in the bank, there was more crowed and also time consuming. But today the cash transaction is taking place with in no time. These kinds of activities are undertaken through the concept of retail banking system. Retail banking provides more number of services in the banking activities according to the needs of the customer, and some services changed the interface of banking industry. Therefore there is a need to focus on perceptions of customers on retail banking services for betterment of the services and designing of new services.

OBJECTIVES OF THE STUDY:

1. To know and study about the products/services offered by the commercial banks under retail banking.
2. To study the perception of customers of SBI and HDFC banks on select retail banking services.
3. To offer suggestions basing on the analysis of the data.

LITERATURE REVIEW:

Schumpeter (1961) said that due to the rapid innovations in the banking sector there is more scope has been given to satisfy the customer's needs through various products of retail banking and also focuses on the role of bank credit influence the development of economy and it is one of the opportunities to innovate financed bank credit.

Gopinath (2005) explains the salient features of retail banking and points out that retail banking should include, in its purview, not only the lending or asset side, but also the deposit mobilisation or liability side of banking activity.

K. Suma Vally and K. HemaDivya (2018) in the Paper "A study on digital payments in India with perspective of consumers Adoption" conclude that the deployment of technology for digital payments have improved the performance of banking sector and able to achieve the motive cash less country. This study also gives emphasis to the percentage of awareness on maximum utilization of technology. Banks should take effective measure in creating awareness towards the effective usage technology and security.

Dave et al., (2020) said that Customers have started preferring paying through debit cards especially after demonetization. Debit cards have various other facilities—it can be used to withdraw cash from an ATM, purchase of goods and services at point of sale, and make payments for e-commerce online transactions, both inland and foreign. In this paper, the authors investigated the customer preference over the different payment options, the factors affecting debit card usage, the frequency, the charges and the reason for using debit cards post demonetization.

K. Harichandana and Md.Sohail Baba (2020) said that banks play an important role in the economic development of any country in the world by the way of providing loans to meet the needs of the people directly and indirectly support industrial development. Loans and advances are the major part of the funds used by the banks. This paper concluded that any debt is an important task of the bank and traders, companies avail loans and provide financial assistance to individuals and industries.

RESEARCH METHODOLOGY:

The present study is based on both Primary and Secondary data sources of information. The secondary

sources are used for the purpose of understanding the concept, importance of retail banking products/services from the standard text books, journals and other internet sources.

The primary sources of information for the study are collected by using structured schedule for customers. This schedule is pre-tested for the main study.

DISCUSSIONS OF THE STUDY:

1) CARD-BASED SERVICES:

A bank issues plastic cards i.e., debit and credit cards, for providing various card- based services ranging from cash withdrawal to swift transfer as against certain charges. India is the 13th largest non-cash payment market globally¹. Data is collected from the respondents regarding their opinion or feeling with respect to card-based services with the select banks and six attributes have been identified to understand their perspectives which are presented in the table 1 here under.

Table 1: Customers' Perceptions On Card-Based Services Of Banks

| S.No. | Statement | Bank | ScaleValue | Mean | SD | Highest Value | Scale |
|-------------|-------------------------------------------------------------------------------|------|------------|------|------|---------------|-------|
| 1 | Acquiring debit/credit card of this bank is easy | SBI | 1633 | 4.08 | 0.71 | SBI | |
| | | HDFC | 1621 | 4.05 | 0.70 | | |
| 2 | Card issue charges are low | SBI | 1571 | 3.93 | 0.78 | HDFC | |
| | | HDFC | 1635 | 4.09 | 0.75 | | |
| 3 | Bank charges are transparent | SBI | 1639 | 4.10 | 0.56 | SBI | |
| | | HDFC | 1635 | 4.09 | 0.62 | | |
| 4 | Low Interest on delayed payments | SBI | 1652 | 4.13 | 0.65 | HDFC | |
| | | HDFC | 1661 | 4.15 | 0.59 | | |
| 5 | Card annual maintenance charges are low | SBI | 1464 | 3.66 | 0.83 | HDFC | |
| | | HDFC | 1496 | 3.74 | 0.89 | | |
| 6 | Staff provides timely information regarding charges/ fees, terms & conditions | SBI | 1605 | 4.01 | 0.7 | HDFC | |
| | | HDFC | 1646 | 4.12 | 0.63 | | |
| Total score | SBI | 9564 | | | | | |
| | HDFC | | | | | | |

Source: Primary Data

Note:

| | | | | |
|------------------------|-----------------------------------------------------------------------------------|------------------------------------------------|--|-------|
| Maximum Possible Score | 5 (Maximum score points) X 400 (number of respondents) X 6 (number of statements) | | | 12000 |
| Percentage of score | SBI | The total score / Maximum Possible Score X 100 | | 79.70 |
| Percentage of score | HDFC | The total score / Maximum Possible Score X 100 | | 80.78 |

Upon enquiry it is understood that the respondents' opinions on the variable 'Acquiring debit/credit card of this bank is easy' was tabulated. The mean and SD values of SBI are 4.08 and 0.71 whereas for HDFC mean and SD values are 4.05 and 0.70. By comparing the score values, SBI has more customer satisfaction for the attribute 'Acquiring debit/credit card of this bank is easy'.

The respondents' opinion on the variable 'Card issue charges are low' was analysed. The mean and SD values for SBI are 3.93 and 0.78, whereas mean and SD values for HDFC are 4.09 and 0.75 respectively. By comparing the score values, HDFC bank has more customer satisfaction for the attribute 'Card issue charges are low'.

Upon enquiry it is understood that the respondents' opinions on the statement 'Bank charges are transparent' was analysed and tabulated. The mean and SD values for SBI is 4.10 and 0.56, whereas in case of HDFC mean and SD values are 4.09 and 0.62 respectively. By comparing the score values, SBI has more customer satisfaction for the attribute 'Bank charges are transparent'.

The respondents' opinion on the attribute 'Low Interest on delayed payments' was taken and analysed. The mean and SD values for SBI is 4.13 and 0.65 respectively, whereas in case of HDFC the mean and SD values are 4.15 and 0.59 respectively. By comparing the score values, HDFC bank has more customer satisfaction for the attribute 'Low Interest on delayed payments'.

Upon enquiry it is understood that the respondents' opinion on the attribute 'Card annual maintenance charges are low' was tabulated and analysed. The mean and SD values for SBI is 3.66 and 0.83. While in case of HDFC, mean and SD values are 3.740 and 0.89 respectively. By comparing the score values, HDFC bank has more customer satisfaction on the attribute 'Card annual maintenance charges are low'.

The respondents' opinions on the attribute 'Staff provides timely information regarding charges/ fees, terms & conditions' was calculated. The mean and SD values for SBI is 4.01 and 0.70 where in case of HDFC mean and SD values are 4.12, and 0.63 respectively. By comparing the score values, SBI has more customer satisfaction on the variable 'Staff provides timely information regarding charges/ fees, terms & conditions'.

As per the scale value analysis, the data clearly indicates that for the statement card-based services with respect to select banks, majority of the customers are satisfied with the HDFC bank.

2) MOBILE/INTERNET BANKING/UPI SERVICES:

Technology has brought rapid changes in banking sector along with other sectors. IT brought all the financial products/services to the door step of the customers through Mobile/Internet/UPI services. Data is collected from the respondents regarding their opinion or feeling on various activities related to Mobile/Internet Banking/UPI services provided by the select banks and six attributes have been identified to understand their perspectives which are presented in the table 2 here under.

Table 2: Customers' Perceptions On The Mobile/Internet Bankin5g/ Upi Services

| S.No. | Statement | Bank | ScaleValue | Mean | SD | Highest Scale Value |
|-------------|---------------------------------------------------------|------|--------------|------|------|---------------------|
| 1 | Quick accessibility to services | SBI | 1576 | 3.94 | 0.7 | SBI |
| | | HDFC | 1565 | 3.91 | 0.79 | |
| 2 | No transaction limit | SBI | 1631 | 4.08 | 0.65 | SBI |
| | | HDFC | 1572 | 3.93 | 0.75 | |
| 3 | Will Receive SMS/ Electronic alert for each transaction | SBI | 1622 | 4.06 | 0.65 | SBI |
| | | HDFC | 1590 | 3.98 | 0.62 | |
| 4 | Quick resolving of queries | SBI | 1646 | 4.12 | 0.58 | EQUAL |
| | | HDFC | 1646 | 4.12 | 0.57 | |
| 5 | Low service charges | SBI | 1654 | 4.14 | 0.64 | SBI |
| | | HDFC | 1609 | 4.02 | 0.63 | |
| 6 | Speedy customer services | SBI | 1656 | 4.14 | 0.58 | SBI |
| | | HDFC | 1639 | 4.1 | 0.55 | |
| Total score | | SBI | 9785 9621 | | | |
| | | HDFC | | | | |

Source: Primary Data

Note:

| | | | | |
|------------------------|-----------------------------------------------------------------------------------|------------------------------------------------|--|-------|
| Maximum Possible Score | 5 (Maximum score points) X 400 (number of respondents) X 6 (number of statements) | | | 12000 |
| Percentage of score | SBI | The total score / Maximum Possible Score X 100 | | 81.54 |
| Percentage of score | HDFC | The total score / Maximum Possible Score X 100 | | 80.18 |

Upon enquiry it is understood that the respondents' opinions on the variable 'Quick accessibility to services' was tabulated. The mean and SD values for SBI is 3.94 and 0.70 whereas for HDFC, bank values are 3.91 and 0.79. By comparing the score values, SBI has more customer satisfaction on the variable 'Quick accessibility to services'.

The respondents' opinion on the variable 'No transaction limit' was calculated. The mean and SD values for SBI is 4.08 and 0.65, whereas for HDFC bank, values are 3.93 and 0.75 respectively. By comparing the score values, SBI has more customer satisfaction on the variable 'No transaction limit'. Upon enquiry it is understood that the respondents' opinion on the attribute 'Will Receive SMS/ Electronic alert for each transaction' was computed. The mean and SD values for SBI is 4.06 and 0.65, whereas for HDFC bank, values are 3.98 and 0.62 respectively. By comparing the score values,

SBI has more customer satisfaction on the variable ‘Will Receive SMS/ Electronic alert for each transaction’.

The respondents’ opinion on the variable ‘Quick resolving of queries’ was calculated. The mean and SD values for SBI is 4.12 and 0.58, whereas for HDFC bank, values are 4.12 and 0.57. By comparing the score values, SBI & HDFC banks both are equal customer satisfaction on the variable ‘Quick resolving of queries’.

Upon enquiry it is understood that the respondents’ opinion on the attribute ‘Low service charges’ was calculated. The mean and SD values for SBI is 4.14 and 0.64, whereas for HDFC bank, values are 4.02 and 0.63 respectively. By comparing the score values, SBI has more customer satisfaction on the variable ‘Low service charges’.

The respondents’ opinion on the attribute ‘Speedy customer services’ was calculated. The mean and SD values for SBI is 4.14 and 0.58, whereas for HDFC bank, values are 4.10 and 0.55. By comparing the score values, SBI has more customer satisfaction on the variable ‘Speedy customer service’.

As per the scale value analysis, the data clearly indicates that mobile/internet/UPI services are an essential product / service of the bank. Majority of the customers are satisfied with the SBI in this regard.

3) AUTO PAYMENT SERVICES:

One of the best services provided by the banks with improved technology is automated bill payment services, which facilitate the customer to pay all types of bills through online banking with standing instructions. Data is collected from the respondents regarding their opinion or perception on different variables like ‘enabling/disabling of service is easy’, ‘quick access for payment’, etc., while using the auto payment services by the select banks, five attributes have been identified to understand their perspectives and is presented in the table 3 here under.

Table 3: Customers’ Perceptions On Auto Payment Services

| S.No. | Statement | Bank | ScaleValue | Mean | SD | Highest Score Value |
|-------------|-----------------------------------------------------|------|------------|------|------|---------------------|
| 1 | Enable/ Disable of service is easy | SBI | 1615 | 4.04 | 0.71 | SBI |
| | | HDFC | 1587 | 3.97 | 0.61 | |
| 2 | Quick payment access | SBI | 1655 | 4.14 | 0.64 | SBI |
| | | HDFC | 1595 | 3.99 | 0.68 | |
| 3 | Will receive SMS/ Electronic alert before and after | SBI | 1606 | 4.02 | 0.75 | SBI |
| | | HDFC | 1556 | 3.89 | 0.79 | |
| 4 | High default payment charges | SBI | 1624 | 4.06 | 0.67 | SBI |
| | | HDFC | 1599 | 4.00 | 0.67 | |
| 5 | Good responsiveness of help desk | SBI | 1672 | 4.18 | 0.57 | SBI |
| | | HDFC | 1620 | 4.05 | 0.64 | |
| Total score | | SBI | 8172 | | | |
| | | HDFC | 7957 | | | |

Source: Primary Data.

Note:

| | | | | | |
|------------------------|-----------------------------------------------------------------------------------|------------------------------------------------|--|-------|-----|
| Maximum Possible Score | 5 (Maximum score points) X 400 (number of respondents) X 5 (number of statements) | | | 10000 | |
| Percentage of score | SBI | The total score / Maximum Possible Score X 100 | | 81.72 | SBI |
| Percentage of score | HDFC | The total score / Maximum Possible Score X 100 | | 79.57 | |

Upon enquiry it is understood that the respondents’ opinion on the variable “Enable/ Disable of service is easy” was tabulated. The mean and SD values for SBI is 4.04 and 0.713 whereas for HDFC, mean and SD values are 3.97 and 0.61. By comparing the score values, SBI has more customer satisfaction for the attribute “Enable/ Disable of service are easy”.

The respondents’ opinion on the variable ‘Quick payment access’ was calculated. The mean and SD values for SBI is 4.14 and 0.64, whereas in case of HDFC, mean and SD values are 3.99 and 0.68. By comparing the score values, SBI has more customer satisfaction on the attribute ‘Quick payment access’.

Upon enquiry it is understood that the respondents' opinion on the variable 'Will receive SMS/ Electronic alert before and after' was computed. The mean and SD values for SBI is 4.02 and 0.75. While in case of HDFC, mean and SD values are 3.89 and 0.79. By comparing the score values SBI has more customer satisfaction for the attribute 'Will receive SMS/ Electronic alert before and after'. The respondents' opinion on the variable 'High default payment charges' was calculated. The mean and SD values for SBI are 4.06 and 0.67. While in case of HDFC, mean and SD values are 4.00 and 0.67. By comparing the score values, SBI has more customer satisfaction on the variable 'High default payment charges'.

Upon enquiry it is understood that the respondents' opinion on the variable 'Good responsiveness of help desk' was calculated. The mean and SD values for SBI is 4.18 and 0.57, whereas in case of HDFC bank, mean and SD values are 4.05 and 0.64. By comparing the score values, SBI has more customer satisfaction on the attribute 'Good responsiveness of help desk'.

As per the scale value analysis, the data clearly indicates the auto payment services are an essential product / service of the bank. Majority of the customers are satisfied with the SBI.

4) AVAILING LOAN:

One of the basic functions of a bank is granting loans. While granting loans banks have to follow some process and formalities. Data is collected from the respondents regarding their opinion or perceptions on various variables related to availing loan from the banks like getting appropriate information from the staff, time taken for approval of loan...etc., by the select banks. Thus, five attributes has been identified to understand their perspectives and is presented in the table 4 here under.

Table 4: Customers' Perceptions On Availing Loan From The Banks

| S.No | Statement | BANK | Scale Value | Mean | SD | Highest Score Value |
|-------------|-------------------------------------------------------------|------|--------------|------|------|---------------------|
| 1 | Staff are providing adequate information regarding the loan | SBI | 1530 | 3.83 | 0.85 | SBI |
| | | HDFC | 1525 | 3.81 | 0.78 | |
| 2 | Eligibility norms are simple / easy to understand | SBI | 1625 | 4.06 | 0.64 | SBI |
| | | HDFC | 1617 | 4.04 | 0.65 | |
| 3 | Loan application process is simple & easy | SBI | 1603 | 4.01 | 0.64 | SBI |
| | | HDFC | 1598 | 4.00 | 0.71 | |
| 4 | Loan approval time is less /fast | SBI | 1610 | 4.03 | 0.66 | SBI |
| | | HDFC | 1599 | 4.00 | 0.77 | |
| 5 | Staff are helpful in resolving post disbursement issues | SBI | 1612 | 4.03 | 0.62 | SBI |
| | | HDFC | 1586 | 3.97 | 0.72 | |
| Total score | | SBI | 7980 7925 | | | |
| | | HDFC | | | | |

Source: Primary Data

Note:

| | | | | | |
|------------------------|-----------------------------------------------------------------------------------|------------------------------------------------|--|-------|-----|
| Maximum Possible Score | 5 (Maximum score points) X 400 (number of respondents) X 5 (number of statements) | | | 10000 | |
| Percentage of score | SBI | The total score / Maximum Possible Score X 100 | | 79.80 | SBI |
| Percentage of score | HDFC | The total score / Maximum Possible Score X 100 | | 79.25 | |

Upon enquiry it is understood that the respondents' opinion on the variable 'Staff are providing adequate information regarding the loan' was tabulated. The mean and SD values for SBI is 3.83 and 0.85 whereas for HDFC bank values are 3.81 and 0.78. By comparing the score values, SBI has more customer satisfaction for the attribute 'Staff are providing adequate information regarding the loan'. The respondents' opinion on the variable 'Eligibility norms are simple / easy to understand' was calculated. The mean and SD values for SBI is 4.06 and 0.64, whereas for HDFC bank values are 4.04 and 0.65. By comparing the score values, SBI has more customer satisfaction on the variable 'Eligibility norms are simple / easy to understand'.

Upon enquiry it is understood that the respondents' opinion on the attribute 'Loan application process is simple & easy' was computed. The mean and SD values for SBI is 4.01 and 0.64, whereas for HDFC bank values are 4.00 and 0.71. By comparing the score values, SBI has more customer satisfaction for the attribute 'Loan application process is simple & easy'.

The respondents' opinion on the variable 'Loan approval time is less /fast' was calculated. The mean and SD values for SBI is 4.03 and 0.66, whereas for HDFC bank values are 4.00 and 0.77. By comparing the score values, SBI has more customer satisfaction for the attribute 'Loan approval time is less /fast'.

Upon enquiry it is understood that the respondents' opinion on the variable 'Staff are helpful in resolving post disbursement issues' was calculated. The mean and SD values for SBI is 4.03 and 0.62, whereas for HDFC bank values are 3.97 and 0.72. By comparing the score values, SBI has more customer satisfaction on the variable 'Staff is helpful in resolving post disbursement issues'.

As per the scale value analysis, the data clearly indicates the availing loan from the bank services is one of the most prominent services of the bank and majority of the customers are satisfied with SBI.

FINDINGS:

Customers' perception on '**card-based services**' on various attributes such as – 'Acquiring a debit/credit card from this bank is easy', 'Card issue charges are low', 'Bank charges are transparent', 'Low Interest on delayed payments', 'Card annual maintenance charges are low', and 'Staff provides timely information regarding charges/fees, terms & conditions' are analysed statistically. The findings based on the Total Scale values are presented hereunder:

By comparing the score values, *SBI customers are more satisfied than* HDFC bank customers in case of 'acquiring a debit/credit card from the bank is easy' (SBI 1633, HDFC 1621), 'Bank charges are transparent' (SBI 1639, HDFC 1635), and 'Staff provides timely information regarding charges/ fees, terms & conditions' (SBI 1646, HDFC 1605). But in case of 'Card issue charges' (HDFC 1635, SBI 1571), 'low interest on delayed payments' (HDFC 1661, SBI 1652) and 'annual maintenance charges on card are less' (HDFC 1496, SBI 1464) *HDFC bank customers have more customer satisfaction* than the SBI. In case of card based services, on the two attributes – 'acquiring of card is easy' and 'bank charges are transparent' customers' satisfaction level is high with the public sector bank i.e. SBI. In the remaining four attributes HDFC bank has taken the lead. To increase the positivity in customers' perceptions SBI need to focus on the attributes of 'card based services'.

Customers' perception on '**The Mobile / Internet Banking / UPI services**' on various attributes such as – 'Quick accessibility to services', 'No transaction limits', 'Will Receive SMS/ Electronic alert for each transaction', 'Quick resolving of queries', 'Low service charges', and 'Speedy customer services' are analysed statistically. The findings based on the Total Scale values are presented hereunder:

By comparing the score values, *SBI customers have more customer satisfaction* than HDFC bank customers on the attributes 'Quick accessibility to services' (SBI 1576, HDFC 1565), 'no transaction limits' (SBI 1631, HDFC 1572), 'Will Receive SMS/ Electronic alert for each transaction' (SBI 1622, HDFC 1590), 'Low service charges' (SBI 1654, HDFC 1609) and 'speedy customer services' (SBI 1656, HDFC 1639). But in case of 'query resolving time' both banks are sharing equal score (1646). Under the digital India program the GOI is encouraging the digital transactions like mobile / Internet Banking / UPI services. In this process both banks are facilitating the mobile application, offering internet banking services and connected with UPI services. SBI is higher than HDFC bank. So the HDFC bank is advised to take necessary measures to improve service delivery efficiency through digitalization and thus enhance the confidence of customers.

Customers' perception on '**Auto payment services**' on various attributes such as – 'Enable/ Disable of service is easy', 'Quick payment access', 'Will receive SMS/ Electronic alert before and after', 'High default payment charges', and 'Good responsiveness of help desk' are analysed statistically. The findings based on the Total Scale values are presented hereunder:

By comparing the score values, *SBI customers have more customer satisfaction* than HDFC bank customers in all the attributes related with auto payment services. On auto payment services private sector bank HDFC need to be flexible in various attributes to improve the customer satisfaction.

Customers' perception on '**Availing loan from the bank**' on various attributes such as – 'Staff is providing adequate information regarding the loan', 'Eligibility norms are simple/easy to understand', 'The loan application process is simple & easy', 'Loan approval time is less /fast', and 'Staff is helpful in resolving post disbursement issues' are analysed statistically. The findings based on the Total Scale values are presented hereunder:

By comparing the score values, it is clear that *SBI taken a lead than HDFC* bank in all the attributes. SBI customers are more satisfied on various attributes pertaining to 'Availing loan from the bank'. From the study it is clear that availing loan from a private sector bank HDFC is a complex process when compared to public sector bank SBI. HDFC bank should peg on various attributes to improve the customer satisfaction.

SUGGESTIONS:

Banking Industry is jam-packed with different public and private banks trying to have a sizable market share, demanding exceptional customer services in a competitive landscape. With technological advancement and ever-changing needs, customers' preferences and buying behavior shift constantly; banks should evolve accordingly and look out for innovative products/services to meet the likes of modern era customers.

In order to keep up with the needs of the customers and growing competition, banks must concentrate on financial literacy, segment and marginalize customer base, accuracy and consistency across all channels, empowering employees, and allowing customers for self-services.

CONCLUSION:

Retail banking plays vital role in the development of Indian banking sector. Through the various products of banking, customer feels satisfaction only when the services reached to the bottom level. Since retail banking requires mass production techniques, the advent of technology has enabled the banks to design appropriate technology-based delivery channels. Retail banking has also received a thrust from the regulators/policymakers' push for inclusive growth in the wake of the global financial crisis. The Governments across the world view banks as the key component in furthering the cause of financial inclusion. And they need to have a clear strategy to deal with these challenges and address these priorities, including considering partnerships with third parties and applying lessons from other industries.

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