



# AN ANALYSIS OF CUSTOMER PERCEPTIONS AND OVERALL SATISFACTION WITH THE PRODUCT AND SERVICES PROVIDED BY CITY UNION BANK WITH REFERENCE TO COIMBATORE CITY

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## ABSTRACT

The globalization and liberalization of banking sectors have led to increased competition. Consequently, Banking institutions have broadened the variety of products and services they offer to their clientele. They are compelled to develop innovative strategies aimed at enhancing customer engagement to achieve their objectives. The primary goal is to deliver optimal service to their clientele. However, customers can only take advantage of the diverse services provided by banks if they are adequately informed about them. It is essential for bankers to comprehend the needs of their customers, just as it is crucial for customers to be aware of the various services that banks offer. A heightened awareness among customers typically results in increased preferences. The current study focuses on analyzing customer perceptions and satisfaction with the banking services provided by City Union Bank.

**Keywords:** *Customer Perception, Satisfaction, City Union Bank, Products & Service.*

## 1. INTRODUCTION

The financial sector plays a crucial role in the expansion of the Indian economy. Prior to independence, the development of this sector was insufficient, as banks primarily focused on generating profits rather than providing services to the general public. Ensuring customer satisfaction is a vital objective for all banks involved in service delivery. Any failure in this regard can lead to a diminished customer base. In a highly competitive environment, even minor shortcomings can result in the loss of clients. Customer loyalty is essential for retaining existing clients. In the context of liberalization and a free economy, measuring customer satisfaction in banks has become increasingly important. Over the past few years, regulatory and technological advancements have driven significant changes within the financial industry. These regulatory reforms have also contributed substantially to the sector's growth. Currently, banks are adeptly introducing new and innovative services frequently, thereby attracting clients to utilize their offerings. Customers are the cornerstone of any business, and the financial sector is particularly service-oriented. It is imperative for banks to ensure that their clients are satisfied with the services provided, as this is crucial for retaining and delighting them over extended periods. Banks offer a variety of products and services that must align with customer needs and are likely to generate revenue for the institution. There has been a remarkable and transformative shift in the approach towards customer focus in recent years. As the financial industry relies heavily on customer satisfaction, it is essential for policymakers and branch executives to address this issue with careful consideration.



## 2. REVIEW OF LITERATURE

1. Kumar T S and Vinothini V (2020) Enhancing customer service will assist in the development of new policies pertaining to customer relations.
2. Rameena KA (2020) In general, the respondents rated these three services positively, noting that the employees were quite helpful in relation to them.
3. Chitra S and Ramasethu A (2021) It has been noted that a significant number of customers lack awareness of the various facilities offered by SBI. Therefore, SBI should implement more effective awareness campaigns.
4. Kolanchinathan G and Elango S (2021) While banks are making considerable efforts to offer optimal security options to their customers, numerous factors still deter individuals from establishing an internet banking account.

## 3. STATEMENT OF THE PROBLEM

This study is to explore and assess customer satisfaction regarding banking services, particularly in relation to City Union Bank. The problem statement can be articulated as follows: In the highly competitive environment of the banking industry today, the significance of customer satisfaction is paramount in influencing the success and long-term sustainability of banking institutions. Grasping and fulfilling customer expectations is vital for delivering high-quality services, improving customer satisfaction, and sustaining a competitive advantage. Consequently, it is essential to investigate and identify the various expectations that customers have for banking services, particularly in the context of City Union Bank.

What banking services are offered by City Union Bank and In what ways do these services contribute to customer satisfaction?

What are the key factors influencing customer contentment in banking services?

## OBJECTIVES

1. To evaluate the degree of customer perceptions and customer satisfaction regarding the banking services provided by City Union Bank.

2. To determine the primary factors that influence customer satisfaction regarding the banking services provided by City Union Bank.

## RESEARCH METHODOLOGY

Research methodology is the systematic way to solve the research problem. It gives an idea about the various steps systematically adopted by the research with objectives to a study on service quality of City Union bank in Tirunelveli Municipal Corporation.

## DATA COLLECTION:

### Research Design:

The research may utilize a descriptive research design aimed at detailing and examining customer satisfaction with banking services. This approach can incorporate both qualitative and quantitative methodologies to obtain a thorough understanding.



### Primary Data:

Primary data refers to information that is gathered for the first time specifically for our research purposes. This data is characterized as original and is obtained through the use of questionnaires designed for our study. In this research, primary data was collected from participants through the administration of questionnaires and personal interviews.

### Secondary Data:

Secondary data can be obtained from a variety of sources, including research articles, corporate reports, and publications from the Reserve Bank of India (RBI). These resources offer valuable background information, insights from customer feedback, and existing research pertaining to customer satisfaction within the banking sector.

### SAMPLE SIZE

In order to finalize the analysis, a meticulously designed questionnaire was distributed to 300 individuals, from which 280 responses were received. However, 10 of these responses were incomplete, resulting in a final sample size of 270.

### SAMPLING TECHNIQUES

In the research concerning the service quality of City Union Bank in Coimbatore City, a convenient sampling method was employed. Samples were chosen based on the ease and convenience for the researcher.

### STATISTICAL TOOLS

The statistical instruments facilitate a systematic assessment of the issues being examined. In the analysis of primary data, this study employs statistical methods including percentage analysis.

### DATA ANALYSIS

In this study carried out a survey involving 270 customers to assess their levels of satisfaction and expectations. To facilitate this analysis, I developed a questionnaire aimed at gathering relevant information from them.

## ANALYSIS OF ACCOUNT HOLDERS SATISFACTION

### 3.1. Gender

**Table: 1 Gender**

Particular	Responses	Percentage
Male	146	54.07
Female	124	45.93
<b>Total</b>	<b>270</b>	100

#### Interpretation:

The data reveals a slight predominance of Male participants, comprising 54.07%, in contrast to Female participants, who account for 45.93%. This suggests that there is an increased probability that the bank's customer demographic is predominantly male.

### 3.2. Age

**Table: 2 Age**

Particular	Responses	Percentage
Below 20 years	38	14.07
21 - 40 years	109	40.37
41 - 50 years	74	27.41
51 years & above	49	18.15
<b>Total</b>	<b>270</b>	<b>100</b>

#### Interpretation:

The table presented above reveals that 14.07% of the participants are under the age of 20, whereas 40.37% belong to the age range of 21 to 40. Furthermore, 27.41% of the respondents are categorized within the 41 to 50 age bracket, and the remaining 18.15% are aged 51 years or older.

### 3.3. Educational Background

**Table: 3** Educational Background

Particular	Responses	Percentage
Illiterate	12	4.44
School	43	15.93
Under Graduation	120	44.44
Post Graduation	95	35.19
<b>Total</b>	<b>270</b>	<b>100</b>

#### Interpretation:

The educational profiles of City Union Bank customers exhibit considerable diversity. Statistical data indicates that 15.93% are currently enrolled in school, 44.44% hold undergraduate degrees, 35.19% possess postgraduate qualifications, and 4.44% are classified as illiterate.

### 3.4. Occupations of Respondents.

**Table 4:** Occupations

Particular	Responses	Percentage
Student	78	28.89
Employee	74	27.41
Agriculture	52	19.26
Business	38	14.07
Other	28	10.37
<b>Total</b>	<b>270</b>	<b>100</b>

#### Interpretation:

The table presented above illustrates the various occupations of customers at Union Bank in the city. Among them, 28.89% are students, 27.41% are employees, 19.26% are engaged in agriculture, 14.07% are business professionals, and 10.37% belong to other occupational categories.

### 3.5. Monthly Income.

**Table 5: Monthly Income**

Particular	Responses	Percentage
Dependent to Family	77	28.52
Below ₹ 10000	37	13.70
₹10000 - ₹20000	42	15.56
₹20000 - ₹30000	72	26.67
Above ₹30000	42	15.56
<b>Total</b>	<b>270</b>	<b>100</b>

#### Interpretation:

The table presented above illustrates the income distribution among customers of City Union Bank. It indicates that 28.52% rely on family support, 13.70% earn less than 10,000, 15.56% have incomes ranging from 10,000 to 20,000, 26.67% fall within the 20,000 to 30,000 income bracket, and 15.56% earn more than 30,000.

### 3.6. Years of Relationship

**Table: 6 Years of Relationship**

Particular	Responses	Percentage
Less than 1 years	57	21.11
1 to 2 years	36	13.33
2 to 5 years	86	31.85
More than 5 years	91	33.70
<b>Total</b>	<b>270</b>	<b>100</b>

#### Interpretation:

The table presented above illustrates the duration of relationships between customers of City Union Bank and the institution itself. Specifically, 21.11% of customers have maintained their accounts for less than one year, 13.33% for a period ranging from one to two years, 31.85% for two to five years, and 33.70% for more than five years.

### 3.7. Preferred Banking Channels

**Table: 7 Preferred Banking Channels**

Particular	Responses	Percentage
Branch	67	24.81
ATM	84	31.11
Online	65	24.07
Mobile	54	20.00
<b>Total</b>	<b>270</b>	<b>100</b>

#### Interpretation:

The table presented above illustrates the banking channel preferences among customers of City Union Bank. From a total of 270 respondents, 67 indicated a preference for branch banking, 84 opted for ATMs, 65 selected online banking, and 54 preferred mobile banking. This indicates that the bank serves a diverse clientele with varying preferences for managing their finances.

### 3.8. Level of Satisfaction with the Existing Banking Services

**Table: 8 Satisfaction with existing Banking Services**

Particular	Responses	Percentage
Very Dissatisfied - Rating 1	6	2.22
Slightly Dissatisfied - Rating 2	15	5.56
Neutral - Rating 3	42	15.56
Moderately Satisfied- Rating 4	176	65.19
Very Satisfied -Rating 5	31	11.48
<b>Total</b>	<b>270</b>	<b>100</b>

#### 4. INTERPRETATION

The table presented above illustrates the satisfaction levels of customers of the City Union Bank regarding the bank's existing banking services. Specifically, 2.22% of customers assigned a level 1 rating, 5.56% provided a level 2 rating, 15.56% rated it at level 3, 65.19% awarded a level 4 rating, and 11.48% gave a level 5 rating.

**Table: 9 Level of Satisfaction following variables**

Particular	Poor		Average		Fair		Good		Very Good	
	Re spo nse s	%	Re sp on ses	%	Re sp on ses	%	Re sp on ses	%	Re sp on ses	%
Efficiency and Promptness of Service	9	3.33	53	19.63	85	31.48	60	22.22	63	23.33
Accuracy of Transactions	11	4.07	40	14.81	91	33.7	90	33.33	38	14.07
Staff Competence and Knowledge	12	4.44	42	15.56	108	40	75	27.78	33	12.22
Availability and Accessibility of Banking Channels	8	2.96	46	17.04	83	30.74	96	35.56	37	13.70
Responsiveness to Queries and Complaints	15	5.56	42	15.56	79	29.26	96	35.56	38	14.07
Banking Products and Services	11	4.07	48	17.78	91	33.7	86	31.85	34	12.59
Interest Rates and Fees	13	6.3	62	13.33	88	23.33	65	30.37	42	26.67
Account Opening Process	17	6.3	36	13.33	63	23.33	82	30.37	72	26.67
Deposit and Withdrawal Transactions	13	4.81	69	25.56	53	19.63	60	22.22	75	27.78
Fund Transfers and Payments	6	2.22	67	24.81	83	30.74	95	35.19	19	7.04
Loan Services	6	2.22	71	26.3	96	35.56	55	20.37	42	15.56

**Interpretation:**

The table presented above illustrates the evaluations provided by customers of City Union Bank regarding the timeliness and effectiveness of the bank's services. A total of 3.3%



of customers rated the services poorly, 19% rated them as average, 31.7% provided a fair rating, 22.2% rated them as good, and 23.3% offered a very good rating.

The table displayed above provides an overview of the assessments of customers regarding the precision of the bank's transactions. A total of 3.9% of customers assigned a poor rating, 15% offered an average rating, 33.9% rated it as fair, 33.3% classified it as good, and 13.9% provided a very good rating.

The table above depicts the assessments provided by customers of City Union Bank regarding the competence and knowledge of the bank's staff. Specifically, 4.4% of customers assigned a poor rating, 15.6% rated it as average, 40% offered a fair rating, 27.8% deemed it good, and 12.2% rated it as very good.

The data illustrated in the table indicates that respondents have rated the availability and accessibility of banking channels at CUB as follows: 4.4% classified it as Poor, 15.6% as Average, 30.6% as Fair, 35.6% as Good, and 13.9% as Very Good.

The information provided in the table reveals that the ratings for Responsiveness to Queries and Complaints of City Union Bank are as follows: 3.9% of respondents rated it as Poor, 17.8% as Average, 33.9% as Fair, 31.7% as Good, and 12.8% as Very Good .

According to the information presented, respondents evaluated the quality of products and services offered by CUB in the following manner: 5% rated them as poor, 22.8% as fair, 32.8% also as fair, 23.9% as good, and another 22.8% rated them as good. Additionally, 15.6% classified the offerings as very good.

The data presented in the table indicates that respondents rated the Interest Rates and Fees of City Union Bank as follows: 6.1% classified it as Poor, 13.3% as Average, 23.3% as Fair, 30.6% as Good, and 26.7% as Very Good.

The data presented in the table indicates the ratings for the CUB Account Opening Process as follows: 5% of participants classified it as Poor, 25.6% as Fair, 19.4% as Good, 22.2% as Very Good, and 27.8% as Very Good.

The information presented in the table reveals that among the respondents regarding the Deposit and Withdrawal Transactions of CUB, 2.2% classified their experience as Poor, 25% as Fair, 30.6% as Good, 35% as Very Good, and 7.2% as Very Good.

The data presented in the table indicates that customer ratings for city Union Bank Fund Transfers and Payments are as follows: 2.2% rated the service as Poor, 26.1% as Fair, 30.6% as Good, 26.6% as Very Good, and 15.6% as Very Good.

According to the provided table, a portion of the respondents rated CUB loan services as follows: 6.7% gave a Poor rating, 30.6% rated it as Fair, 33.3% as Good, 21.7% as Very Good, and 7.8% as Very Good.

## **Table Showing the Factors Influencing Respondents Loyalty towards City Union Bank**

**Table 10: Factors Influencing Respondents Loyalty**

Particular	Responses	Rank
Quality of service	42	1
Banking Products & Services	32	2
Interest Rates and Processing Fees	36	3
Security level	47	4
Convenience and Accessibility	29	5
Complaints management:	28	6
Information management:	18	7
Goodwill & Brand Image	16	8
Personal attention	14	9
Rewards Points	8	10

### Interpretation:

The slab showing overhead indicates that out of 270 surveyed respondents of City Union Bank, 103 individuals opted for Quality of service, 79 for Banking Products and Services, 87 for Interest Rates and Fees, 114 for Security level, 71 for Convenience and Accessibility, 66 for Complaints management, 45 for Information management:, 38 for Goodwill & Brand Image, 36 for Personal attention, and 17 for Rewards Points.

### 5. CONCLUSION

In this thorough research, I explored customer satisfaction regarding banking services, with a specific emphasis on City Union Bank. By conducting an in-depth analysis of multiple factors and dimensions related to banking services, we have gained valuable insights into the dynamics that influence customer experiences and perceptions. The findings of this study underscore the essential role that customer satisfaction plays in the success and longevity of financial institutions. Through the examination of customer preferences, satisfaction levels, and opinions, we have pinpointed the primary factors that impact overall satisfaction with the services offered by City Union Bank.

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