



# A Study On Customer Satisfaction Towards Banking Services Of Co-Operative Bank Operating In Coimbatore City

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**Abstract:** This study aims to evaluate customer satisfaction with the banking services provided by Co-operative banks operating in Coimbatore City. The research examines various services such as deposits, loans, digital banking, and insurance products to identify key factors influencing customer satisfaction. The study provides actionable recommendations to enhance service quality, foster trust, and strengthen customer relationships, contributing to the overall development of Co-operative banking in Coimbatore.

**Index Terms** - Co-operative bank, satisfaction, Banking Services.

## INTRODUCTION;

Co-operative banks are financial institutions established to serve the needs of their members and communities by operating on Co-operative principles. These banks primarily aim to promote financial inclusion and provide accessible and affordable banking services to underserved segments, such as farmers, small business owners, and individuals in rural and urban areas. Co-operative banks offer a range of services, including savings accounts, loans, insurance, and investment products, tailored to meet the specific needs of their members.

## OBJECTIVES

1. To find out the demographic profile of the customers of the Co-operative banks operating in Coimbatore city.
2. To analyse the type of services offered by the Co-operative banks
3. To assess the level of customer satisfaction towards banking services of co-operating bank operating in Coimbatore city.
4. To identify the problems related to the services and provide recommendations for improvement.
5. To provide suggestions to Co-operative banks to improve their services and enhance Customer satisfaction.

## STATEMENT OF PROBLEM:

In an environment characterized by intense competition and rapid technological advancements, Co-operative banks in Coimbatore city. By investigating these issues, this study aims to provide a comprehensive understanding of customer satisfaction towards banking services offered by Co-operative banks in Coimbatore city. The findings will serve as a valuable resource for Co-operative banks to refine their strategies, improve service quality, and strengthen their relationships with customers. Ultimately, this research seeks to contribute to the sustainable growth and competitiveness of Co-operative banks in the region.

## SCOPE OF THE STUDY:

This study focuses on evaluating customer satisfaction with the banking services provided by Co-operative banks operating in Coimbatore City. It emphasizes understanding the effectiveness of these banks in addressing the financial needs of their diverse customer base, which includes individuals, farmers, small businesses, and self-help groups. The study covers various banking services such as deposits, loans, payment solutions, digital banking facilities, and insurance products. Through the collection of data via structured surveys, interviews, and questionnaires, the research aims to assess the quality of services, identify customer expectations, measure satisfaction levels, and pinpoint areas for improvement.

## LIMITATIONS OF THE STUDY:

1. The exploration is limited to Coimbatore city, which may limit the applicability of other regions.
2. There is a possibility of response bias, where respondents may provide socially desirable answers rather than their true opinions and experiences.
3. Only limited samples are surveyed.
4. The study is conducted within a specific time frame.
5. Rapid technological advancements and the introduction of new banking services may alter customer perceptions.

## RESEARCH METHODOLOGY

### METHOD OF DATA COLLECTION:

The relevant data for the present study has been collected from both primary and as well as secondary sources.

#### PRIMARY DATA:

The primary data has been collected through structured questionnaire to measure the satisfaction towards banking services of Co-operative bank operating in Coimbatore city.

#### SECONDARY DATA

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The applicable secondary data for the study have been collected mainly from various Books, Reports, Journals, relating to the subject.

## SAMPLING METHOD:

Convenient satisfied sampling was chosen for research.

## SAMPLING PLAN:

- a) **Sample size:** A sample size of 110 respondents was chosen. Though sample size it consists of varied respondents to overcome any error at the time of generalization of result.
- b) **Sample unit:** The sampling unit of the study was the customers of the Co-operative bank operating in Coimbatore city.
- c) **Contact method:** Questionnaire method was used to view response of respondents.
- d) **Sampling Tools:**
  - Simple percentage
  - Chi square

## REVIEW OF LITERATURE:

### 1. Mishra et al. (2022)

This recent study highlights the importance of adopting digital banking to remain competitive. Customers now expect digital solutions like mobile banking, e-statements, and online support. Co-operative banks must upgrade their digital infrastructure to enhance satisfaction. The study stresses the link between technological readiness and customer perception. Embracing innovation ensures long-term sustainability and customer loyalty.

### 2. Patel et al. (2021)

The study found that competitive interest rates and simple loan processing significantly influence satisfaction levels. Customers prefer banks that offer fast and fair loan approvals. Co-operative banks must focus on simplifying documentation and reducing wait times. Transparent interest policies also build trust. Overall, streamlining lending services can drive higher customer retention.

**3. Choudhary and Kumar (2020)<sup>(3)</sup>** - This study emphasized that personalized interactions and easy access to banking officers boost customer satisfaction. When customers feel valued and receive quick responses, their trust increases. The authors argue that human touch remains a key differentiator for Co-operative banks. Accessibility and familiarity with staff are major advantages in rural setups. Investing in relationship-building yields positive customer experiences.

**. Verma and Jain (2019)<sup>(4)</sup>** - The authors evaluated how financial inclusion strategies by Co-operative banks affect satisfaction. Services like no-frills accounts, easy loans, and savings options were appreciated by underserved communities. Co-operative banks are well-placed to drive inclusion due to their local presence. When such services are provided efficiently, customer satisfaction increases. Inclusion also builds long-term relationships and loyalty.

## PERCENTAGE ANALYSIS

S.NO	PARTICULARS		NO OF RESPONDENTS	PERCENTAGE
1.	Gender	Female	71	64.5
		Male	39	35.5
2.	Age	Below 18	12	10.9
		19-30	76	69.1
		31-45	17	15.5
		46-60	04	3.6
		Above 60	01	0.9
3.	Marital status	Married	36	32.7
		Unmarried	74	67.3
4.	Education qualification	Higher secondary	10	9.1
		UG	40	36.4
		PG	34	30.9
		Others	26	23.6
5.	Occupation	Student	13	11.8
		Employee	33	30
		Business	16	14.5
		Others	48	43.6
6.	Monthly income	Up to rs.20,000	43	39.1
		Rs.20,000 to 40,000	40	36.4
		Rs. 40,000 to 50,000	15	13.6
		Above rs 50,000	12	10.9
7.	Usage of services	Deposit services	28	23.6
		Loan services	31	28.2
		Insurance services	17	15.5
		Card services	36	32.7
8.	Service quality	Very satisfied	18	16.36
		Satisfied	37	33.63
		Neutral	36	32.72
		Very dissatisfied	14	12.72
		Dissatisfied	05	4.54

**Interpretation:**

The table 1 clearly states the demographic profile of the sample respondents. Most of them are Female. Maximum of them are at the age of 19-30 years. Majority of the respondents are Under Graduates. Maximum of respondents are Employee. Majority of the Respondents monthly income is Rs 20,000-40,000. Majority of the respondents are using card services. Majority of the respondents are satisfied with the overall service quality.

**Chi- Square Analysis**

A chi- square test is a statistical test used to compare observed value with expected value. It is one of the important Non-parametric test that used to compare more than two variables for randomly selected data.

**Chi-square analysis formula:**

$$\chi^2 = \sum (O_i - E_i)^2 / E_i$$

$$\text{Degree of freedom} = (r-1) * (c-1)$$

**The two variable are Gender and the overall service quality**

**Table 2**

Variable	Degree of freedom	Calculated value	Table value	Accepted/Rejected
Gender and the overall service quality	4	0.226	9.488	H1-Accepted

Level of significance is 00.5

**INTERPRETATION:**

The calculated value (0.226) is less than the table value (9.488).

H0; There is no significant relationship between the Gender and the overall service quality by the respondents.

H1; There is a significant relationship between the gender and the overall service quality by the respondents.

**Table 3**

**The two variable are monthly income and the type of services adopted by the respondents**

Variable	Degree of freedom	Calculated value	Table value	Accepted/Rejected
Monthly income & the type of services adopted by respondents	9	27.527	16.919	H0 Rejected

**Interpretation:**

The calculated value (27.527) is less than the table value (16.919).

H0; There is no significant relationship between the Monthly income and the type of services adopted by the respondents.

H1; There is a significant relationship between the Monthly income and the type of services adopted by the respondents.

## FINDINGS

- Majority 64.5% of the respondents are male.
- Majority 69.1% of the respondents are belonging to the age group 19-30 years.
- Majority 67.3% of the respondents are unmarried.
- Majority 36.4% of the respondents are educated in UG level.
- Majority 43.8% of the respondents are belongs to other profession.
- Majority 36.4% of the respondents monthly income is Rs. 20,000-40,000
- Majority 35.5% of the respondents have been a customer to the Co-operative bank
- Majority 36.4% of the respondents are the monthly visitors of Co-operative bank.
- Majority 32.7% of the respondents are using card services at Co-operative bank.
- Majority 49.1% of the respondents are holding saving account at Co-operative bank.
- Majority 29.1% of the respondents are rarely using their bank accounts.
- Majority 34.5% of the respondents are given neutral for interest rates.
- Majority 31.8% of the respondents are applied for educational loan.
- Majority 29.1% of the respondents are comfortable with a 2-3 Weeks timeframe for loan approval.
- Majority 40% of the respondents are very satisfied with the interest rates on deposits.
- Majority 48.8% of the respondents are satisfied with staff behaviour.
- Majority 33.63% of the respondents are satisfied with the Payment services.
- Majority 50.90% of the respondents are satisfied with availability of information.
- Majority 45.45% of the respondents are satisfied with loan documentation process.
- Majority 47.27% of the respondents are satisfied with the interest on loans.
- Majority 47.27% of the respondents are facing a problem of long term waiting.
- Majority 34.5% of the respondents are resolving the problem by contacting bank manager.
- Majority 33.6% of the respondents are satisfied with the overall service quality at Co-operative bank.
- Majority 57.27% of the respondents are suggested that improve mobile banking app.
- Majority 25.45% of the respondents are suggested that implement customer feedback.
- Majority 30% of the respondents are suggested enhancing internet banking.
- Majority 32.72% of the respondents are suggested that introduce new deposits schemes.

## FINDINGS FOR CHI-SQUARE :

- There is a significant relationship between Gender and the overall service quality
- There is no significant relationship between Monthly income and service adopted by respondents.

## SUGGESTIONS:

To improve customer satisfaction towards banking services, the Co-operative bank operating in Coimbatore city could focus on:

- Enhancing digital banking platforms for easier transactions and better user experience.
- Additionally, providing prompt and helpful customer service through well-trained staff would be beneficial.
- Offering competitive interest rates, simplifying loan approval procedures, and ensuring data security are also crucial. Regular collection and implementation of customer feedback, effective marketing to increase awareness about bank services,
- Upgrading branch infrastructure would further enhance customer satisfaction and loyalty.
- Introduce new deposit schemes tailored to diverse financial goals, such as milestone-based savings plans.
- Highlight competitive deposits interest rates through targeted promotions.

## CONCLUSION:

The findings highlight various aspects of customer interactions and satisfaction with Co-operative banks, reflecting both strengths and areas for improvement. Customers generally express satisfaction with interest rates on deposits, loan documentation, staff behavior, and the availability of information, which showcases the bank's commitment to quality service. However, issues such as long waiting times and limited utilization of banking products, like savings accounts and card services, indicate room for operational enhancements and increased customer engagement. Suggestions like improving mobile and internet banking, implementing customer feedback mechanisms, and introducing innovative deposit schemes emphasize the need for modernization and responsiveness to customer needs.

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