ISSN:0971-1260
Vol-22- Issue-14-December-2019

A Study On The Effectiveness Of Services Provided To Axis Bank Customers, (With Special Reference To Chengalpet District)

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ABSTRACT

Axis Bank Limited was the first of the new private banks to have begun operations in 1994, after the Government of India allowed new private banks to be established .The key of AXIS Bank Limited is to retain its customers and the relationship marketing. Bank is also becoming skilled in Customer Relationship Management (CRM) which focuses on meeting the customers' needs and making them satisfied. For the AXIS Bank Limited the customer satisfaction is both a goal and a marketing tool. Loosing profitable customers can dramatically affect the bank's profits. The aim of this study is to find customer perceptions on service quality dimensions among consumers of bank services. The results show service quality is an important element to create customer loyalty that will lead to customer satisfaction and loyalty. Therefore, in trying to develop strong service quality, bankers should be interested in assessing the degree of customer service dependence. The banks service quality depends on the perceptions of their service customers. Satisfied and loyal customers indicate positive perceptions of the banking services.

KEYWORDS: Customer satisfaction, Axis bank, Effectiveness of services, Customer loyalty.

I. INTRODUCTION:

In the last two decades, regulatory, structural and technological factors have significantly changed the banking environment throughout the world. The banking industry is one of the basic instruments of economic growth. It is considered the backbone of economic development, and change in its processes is deemed to have repercussions on the country's growth. Axis Bank is the fifth-largest bank in India offering a wide assortment of financial products.

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The bank has its head office in Mumbai, Maharashtra. It has 4,050 branches, 11,801 ATMs and 4,917 cash recyclers spread across the country as of 31 March 2019 and nine international offices. The bank employs over 55,000 people and had a market capitalization of ₹ 1.31 trillion (US$19 billion) (as on 31 March 2018). It sells financial services to large and mid-size corporates, SME and retail businesses.

The bank was founded in December 1993, as UTI Bank, opening its registered office in Ahmedabad and corporate office in Mumbai. UTI Bank began its operations in 1993, after the Government of India allowed new private banks to be established.Axis Bank Limited was the first of the new private banks to have begun operations in 1994, after the Government of India allowed new private banks to be established.

II. REVIEW OF LITERATURE:

Manish Mittal and ArunnaDhademade (2005)[1] they found that higher profitability is the only major parameter for evaluating banking sector performance from the shareholders point of view. It is for the banks to strike a balance between commercial and social objectives. They found that public sector banks are less profitable than private sector banks. Foreign banks top the list in terms of net profitability. Private sector banks earn higher non-interest income than public sector banks, because these banks offer more and more fee based services to business houses or corporate sector. Thus there is urgent need for public sector banks to provide such services to stand in competition with private sector banks.

I.M. Pandey (2005)[2]An efficient allocation of capital is the most important financial function in modern times. It involves decision to commit the firm's funds to the long term assets. The firm’s value will increase if investments are profitable and add to the shareholders wealth. Financial decisions are important to influence the firm’s growth and to involve commitment of large amount of funds. The types of investment decisions are expansion of existing business, expansion of new business and replacement and modernization. The capital budgeting decisions of a firm has to decide the way in which the capital project will be financed. The financing or capital structure decision. The assets of a company can be financed either by increasing the owners claims on the creditors’ claims. The various means of financing represent the financial structure of an enterprise.

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MedhatTarawneh (2006)[3] financial performance is a dependent variable and measured by Return on Assets (ROA) and the intent income size. The independent variables are the size of banks as measured by total assets of banks, assets management measured by asset utilization ratio (Operating income divided by total assets) operational efficiency measured by the operating efficiency ratio (total operating expenses divided by net income)

Vasantdesai (2007)[4] The Reserve Bank of India plays a very vital role. It is known as the banker's bank. The Reserve Bank of India is the head of all banks. All the money formulations of commercial banks are done under the Reserve Bank of India. The RBI performs all the typical functions of a good central bank as it is involved in planning the economy of the country. The main function is that the RBI should control their credit. It is mandatory for the Bank to maintain the external value of the rupee. Major function is that it should also control the currency.

K. C. Sharma (2007)[5] Banking has entered the electronic era. This has been due to reforms introduced under the WTO compliances. Private sector banks have been permitted to open their shops in the country. These banks are either foreign or domestic banks with foreign partnerships. Some of them have been set up by Development Financial Institutions in order to embrace concept of universal banking, as practiced in advanced countries. The private sector on the other hand have began their high tech operations from the initial stage and made the elite of the country to taste the best banking practices that happens in the western countries. They have foreseen the digital world and have seen the emerging electronic market, which has encouraged them to have a better customer service strategy that would be able to deliver the things as per customer's requirement.

III. OBJECTIVES OF THE STUDY:

1. To know the effectiveness of services provided to Axis Bank customers.

2. To determine the impact of service quality on customer satisfaction.

3. To know the level of satisfaction among the customers of Axis Bank.

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IV. RESEARCH METHODOLOGY:

The present study analysed the level of satisfaction among the customers of the Axis Bank Limited.For the purpose of the study both primary and secondary data were used. The data for the research has been collected through structured questionnaire from the customers of Axis bank,Chengalpet District. Sample of the customers was drawn on the basis of random sampling technique.The sample size of 50 respondents was selected for the study.

RESEARCH TOOLS:

Percentage analysis, Independent sample 't' test are the statistical tools used in this study.

V. DATA ANALYSIS:

ANALYSIS OF THE EFFECTIVENESS OF SERVICES PROVIDED TO AXIS BANK

Table 1.1 Gender of respondents

GENDER	FREQUENCY	PERCENTAGE
Male	23	46%
Female	27	54%

Table 1.1 represents the gender of the respondents. The total respondents are 100 out of which 46% are male and 54% are female.

Table 1.2 Age of respondents

AGE	FREQUENCY	PERCENTAGE
Below 25	21	42%
25 - 35	11	22%
35 - 45	10	20%
Above 45	8	16%

Table 1.2 represents the age of the respondents. The highest age group of respondents is below 25 years with 42% the respondents of age group from 25-35, 35-45 and above 45 are 22% 20% 16% respectively.

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Table 1.3 Qualification of respondents

EDUCATIONAL QUALIFICATION	FREQUENCY	PERCENTAGE
X	2	4%
XII	9	18%
UG	32	64%
PG	7	14%

Table 1.3 represents the educational qualification of the respondents. The educational qualification of the respondents are majorly shared by the UG graduates with 64% and followed by PG graduates with 14% and the X and XII are 4% and 18% respectively.

Table 1.4 Monthly income of respondents

INCOME LEVEL	FREQUENCY	PERCENTAGE
Below 15000	11	22%
15000-25000	20	40%
25000-50000	7	14%
Above 50000	12	24%

Table 1.4 denoting the income level of the respondents where majority 40% is held by the category from 15000-25000 income earners. The monthly income of the respondents below 15000 is 22% the respondents with income 25000-50000 is 14% and above 50000 is 24%

Table 2.1 Reasons for choosing Axis bank

REASONS	FREQUENCY	PERCENTAGE
Brand name of axis	5	10%
Advertisements	10	20%
Services of Axis bank	28	56%
Others	7	14%

Table 2.1 clearly denotes the reasons of the customers for choosing Axis bank. Majority respondents with 56% say they choose Axis bank for its services provided. Only few

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respondents with 20% choose for advertisement, choosing for brand name and other reasons with 10% and 14% respectively.

Table 2.2 Relationship with bank

TYPE OF ACCOUNT	FREQUENCY	PERCENTAGE
Savings A/C	18	36%
Salary A/C	14	28%
Current A/C	10	20%
De-mate A/C	8	16%

Table 2.2 represents the respondents' relationship with the bank. Majority respondents maintain savings a/c with 36% and 28% of respondents maintain salary a/c, least followed by de-mate a/c and current a/c with 16% and 20 % respondents.

Table 2.3 Awareness about services provided by Axis bank

AWARENESS LEVEL	FREQUENCY	PERCENTAGE
Aware	34	68%
Unaware	16	32%

Table2.3 respondents level of awareness about the services provided by Axis bank. The respondents aware of the services with 68% and 32% of respondents are unaware about all the services.

Table 2.4 Satisfactory level

INTEREST OF CUSTOMERS	FREQUENCY	PERCENTAGE
Highly satisfied	9	18%
Satisfied	29	58%
Dissatisfied	11	22%
Highly satisfied	1	2%

Table 2.4 clearly shows that majority of the respondents are satisfied with the services of Axis bank with 58% and 18% are highly satisfied and the remaining respondents are dissatisfied with 22% and 2% of them are highly dissatisfied.

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Table 2.5 Respondents satisfaction with employee' attention

SATISFIED	FREQUENCY	PERCENTAGE
Yes	41	82%
No	19	18%

Table 2.5 states that 82% of the respondents are satisfied with the employee' attention towards customers and remaining 18% are not satisfied.

INDEPENDENT SAMPLE T-TEST

Null Hypothesis: There is no significant difference between gender and customer service- call centre.

Alternate Hypothesis: There is a significant difference between gender and customer service- call centre.

Table 3: T–Test for Significant difference between gender and service quality dimension of the respondent

CUSTOMER SATISFACTION ON CALL CENTRE	GENDER	MEAN	SD	't' value	'p' value
Ability to get access quickly	Male	2.16	0.850	3.915	0.000
	Female	3.04	0.734		
Attitude of the attendant	Male	2.08	0.759	1.072	0.289
	Female	2.28	0.541		
Ability to provide solution	Male	2.12	0.881	0.586	0.561
	Female	2.24	0.522		
Overall customer care services	Male	2.12	0.832	2.278	0.027
	Female	2.60	0.645		

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Table 3, it is inferred that there is difference in variables of customer service- call centre between male and female. The p values for Ability to get access quickly and overall customer satisfaction are below 0.05, so there is significant difference between customer satisfaction (Ability to get access quickly, overall customer satisfaction) in male and female. So the null hypothesis is rejected and alternative hypothesis is accepted.

FINDINGS OF THE STUDY:

- In the study female respondents are more compared to male with 54%
- The majority of the respondents are from age group below 25 with 42%
- The customers of Axis bank are well qualified with 64%
- Majority income level of the respondents is from 15000-25000 with 40%
- Salary account is the major account maintained by respondents.
- Foremost reason for using Axis bank is net banking.
- Inter account transfer is made higher level through Axis banks.
- It was great that 56% of respondents are satisfied with the services of Axis bank.
- Majority respondents are also satisfied with the employee' attention towards them.
- It was clearly stated that services rendered by Axis bank are satisfied by their customers. This has been derived from their responses.

SUGGESTIONS:

- Suggestion for the management is to make brand advertisements regarding their products and services.
- To give more attention to customer's problems.
- The organisation should retain the existing performance and increase if possible.
- Bank can customize market offerings, services, program, messages, and media.
- The Employees of the bank should interact with the individual customers and improve their knowledge about their preferences and non-preferences. Customized offerings should be communicated in a personalized way.
- The Bank should emphasize on the lifetime stream of revenue and cost and not on the profit from a particular transaction. Customer profitability can be assessed individually by market segment or by channel.

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LIMITATIONS AND SCOPE:

- The area of study is limited to Chengalpet District. In this study, due to time and cost constraints, the data for this study collected from single axis bank. Furthermore, the bank choice decisions of the customers may differ from other customers in the city.

- In addition, some of the respondents may not be honest and sincere in answering the questionnaire. The results of this study should also be interpreted with care. The development of a process measure for referent influence would add to the strength of the findings and is a limitation of this study.
- Despite these limitations, the study makes some contribution by providing important information regarding factors that affect service quality in Chengalpet District.

VI. CONCLUSION:

The main aim of this study is to know the effectiveness of services provided by Axis bank to their customer. The satisfaction level of the Axis bank customers towards their services are studied and concluded as the customers are satisfied effectively. This study basically indented to find out the factors that affect service. It also gives an insight of customer loyalty and customer satisfaction affects on service quality in general. In terms of customer loyalty, it is found that customer loyalty does have a relationship with service quality and it did affect consumer satisfaction in services. The more involvement of services is important for service quality. Recognizing that high satisfaction leads to high customer loyalty the Axis Bank Limited today is aiming for Total Customer Satisfaction (TCS). For the Axis Bank Limited the customer satisfaction is both a goal and a marketing tool. Bank is also becoming skilled in Customer Relationship Management (CRM) which focuses on meeting the customers' needs and making them satisfied.

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