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**CUSTOMER SATISFACTION AMONG NRI CUSTOMERS –A STUDY OF SBI**

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**Abstract:** The economic growth and prosperity of Kerala have high positive correlation with the remittances from non-resident Keralites as it emerge as the most dynamic factor that contributes to the economy of the state. State Bank of India (SBI) being the largest commercial bank in India in terms of assets, deposits, profits, branches, customers and employees has a major role in garnering this precious foreign exchange. In a highly competitive market, which is open to indigenous and foreign banks, each and every bank is fighting to retain and expand their share of the NRI business. The present study titled “Customer Satisfaction among NRI Customers –A Study of SBI” is attempted with the objective of studying the level of customer satisfaction of NRI products of SBI. The study is based on primary data collected from the sample respondents of selected branches of SBI. In order to find out level of satisfaction, satisfaction index was formulated, using responses collected on a five point Likert scale. This study is important since it throws light on the satisfaction of customers of SBI regarding the various NRI services provided to them by the bank and helps managers to design more customer centric strategies according to the needs of their customers thus enhancing their customer relationship efforts. The study revealed an overall composite satisfaction index of 79.35 which shows that the customers are highly satisfied with the services provided by the bank.

**Keywords:** Customer Satisfaction, NRI, Satisfaction Index, SBI.

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**Introduction:** In a highly competitive business environment, in order to sustain their growth and enhance the market share, a fundamental understanding of factors affecting customer satisfaction is of great importance to service organizations, especially banks. Satisfaction of the customer depends on the quality of service. Measuring the customer satisfaction helps banks to understand the customers’ needs and can thus change strategies accordingly.

**Significance of the study:** Kerala economy relies on the remittances from non-resident Indians (NRI) to a large extent. The contributions and supports from the NRIs to national economy in general and state economy in particular are very high. State Bank of India is the largest banking and financial institution in India. They are the pioneer in NRI banking and have presence in 34 countries across all time-zones. With 180 foreign offices and corresponding banking relations with over 477

global banks, they serve the largest number of NRIs. In this competitive market, which is open to indigenous and foreign banks, the market share is a true indicator of a bank’s performance, its effectiveness to expand or penetrate in different market segments. Hence the NRI business has got immense potential, for any bank it is very important to have a good market share in this segment. This is possible only when the customers of the bank are satisfied with the services provided to them. Assessing customer satisfaction will help the bank in identifying and solving the shortcomings in services and for introducing product innovations in banking services. Hence, this study of customer satisfaction among NRI customers of SBI is undertaken with the following objective.

**Objectives:** To study the level of satisfaction of NRI customers of SBI.

**Methodology:**

**a) Data Collection:** The study is based on

primary data collected from 60 NRI account holders/operators of SBI selected on simple random sampling method, by administering a pre-tested structured interview schedule,. Since the NRI business of SBI in Thrissur district is high in Thrissur and Kunnamkulam branches, respondents were selected from these 2 branches.

**b) Data Analysis:** In order to find out the level of satisfaction, satisfaction index was formulated, using responses collected from sample respondents, on a five point Likert scale. Scale ranges from the most optimistic opinion to most pessimistic opinion as strongly agree, agree, no opinion, disagree, and strongly disagree. These opinions were allotted marks of 5, 4, 3, 2, and 1 respectively. Score secured by each opinion was determined by multiplying the score for the opinion with the number of respondent opting for that option. Total score was ascertained by adding up the scores, secured by each opinion and Customer Satisfaction Index formulated. This index indicates the level

or degree of satisfaction of the customer. The index was computed using the formulae  
 Customer Satisfaction Index (CSI) =  $\frac{\text{Total score obtained}}{\text{Maximum score (300)}} \times 100$

Accordingly Customer Satisfaction Index was ranked into four categories such as (CSI <25) dissatisfied, (CSI: 25 to 50) as moderately satisfied. (CSI: 50 to 75) as satisfied and (CSI: 75 to 100) as highly satisfied.

**Level of Customer Satisfaction among NRI Customers SBI:**

Customer satisfaction is analyzed on the basis of customer responses with respect to the selected parameters of the customer services of the bank such as speed of the transactions, bank premises, behavior of employees and service charges levied

**Speed of Transactions:** Present day customer is highly demanding not only with respect to services provided but also conscious about the time to be spent for that. Since it is necessary for the bank to know the customer satisfaction of their delivery system, various parameters were analyzed.

Table No.1 Level of Satisfaction regarding Speed of Transactions							
S.No.	Statement	HS	S	NO	DS	HDS	CSI
1.	Time taken to remit cash	18(30)	22(37)	12(20)	8(13)	0(0)	77
2.	Time taken to withdraw the money	25(41)	18(30)	10(17)	7(12)	0(0)	80
3.	Time taken to encash the cheque	6(10)	18(30)	31(52)	5(8)	0(0)	78
4.	Time taken for the issue of demand draft	6(10)	12(20)	40(67)	2(3)	0(0)	67
<b>CSI</b>							<b>76</b>

Source: compiled from primary data.

Note: 1. Figures in bracket indicate percentage to the total. 2. HS, S, NO, DS, HDS indicates Highly Satisfied, Satisfied, No Opinion, Dissatisfied and Highly Dissatisfied respectively. Table 1 indicates the level of customer

satisfaction with respect to speed of transaction of bank services. CSI for bank's speed of transaction is 76 which indicate that the NRI customers are highly satisfied. Maximum satisfaction is on the speed of withdrawal of

money (80.33) followed by speed in encashing cheque (78.33). However it has to be noted that NRI customers have only moderate satisfaction regarding issue of DD.

**Bank Premises:** In a highly competitive environment each and every service provided by the institution has lot of importance. The ambiance of the bank premises is very important

not only in attracting customers but also in retaining them. The comforts of the bank play a key role in the customer satisfaction. Table No.2 reveals the overall level of customer satisfaction regarding bank premises as satisfied (71). Customers are having very high appreciation regarding visibility of the counter (98), neatness and cleanliness of the lobby (83).

Table No.2 Level of Satisfaction regarding the Bank Premises							
Sl. No	Statement	HS	S	NO	DS	HDS	CSI
1.	Easy to locate various sections	54(90)	6(10)	0(0)	0(0)	0(0)	98
2.	The lobby is neat and clean	10(17)	50(83)	0(0)	0(0)	0(0)	83
3.	There is enough space to carry out transactions	0(0)	40(67)	15(25)	5(8)	0(0)	72
4.	The seating facility provided by the bank is sufficient	0(0)	25(42)	5(8)	30(50)	0(0)	70
5.	Parking facility	0(0)	0(0)	10(17)	15(25)	35(58)	32
<b>CSI</b>							<b>71</b>

Source: compiled from primary data.

Customers are satisfied with the space to carry out the transactions (72) and the seating facility provided by the bank (70). However the bank has to note that customers are moderately satisfied with the parking facility (32) which is a key parameter now a days.

**Behavior of Employees:** Employees of an organization are the real face of the organization. Employee’s behavior plays a very

important role in customer satisfaction. Hence in this analysis customer satisfaction towards behavior of the employees are analyzed. Table No.3 which reveals the customer satisfaction regarding the employee’s behavior shows that they are highly satisfied (94). It has to be noted that all parameters of this segment are showing an index above 90 which shows the high level of appreciation of the customers

Table No.3 Level of Satisfaction regarding Behavior of Employees							
Sl. No	Statements	HS	S	NO	DS	HDS	CSI
1.	Employees are polite	46(77)	14(23)	0(0)	0(0)	0(0)	95
2.	They greet you and give priority	42(70)	18(30)	0(0)	0(0)	0(0)	94
3.	All queries are answered within reasonable time	35(58)	20(33)	5(8)	0(0)	0(0)	90
4.	Employees direct to proper counters	47(78)	13(22)	0(0)	0(0)	0(0)	96
5.	Employees offer personalized services	48(80)	12(20)	0(0)	0(0)	0(0)	96
<b>CSI</b>							<b>94</b>

**Service charges:** Bank provides various services to the customers. For each service bank take certain amount as service charges. This act as a source of non-interest income of the bank. Service charges must be reasonable to the customers as they compare this between banks. Parameters analyzed in this segment are service charges on remittances, issue of demand draft, collection of outstation cheques and service charge on current account.

Table No. 4. Level of Satisfaction regarding Service Charges							
Sl No.	Service charges are reasonable	SA	A	NO	DA	SDA	CSI
1.	Remittance	6(10)	40(67)	10(17)	4(6)	0(0)	76
2.	Issue of demand draft	6(10)	14(23)	36(60)	4(7)	0(0)	77
3.	Collection of outstation cheque	9(15)	20(33)	25(42)	6(10)	0(0)	71
4.	Service charge on current account	8(13)	35(58)	14(23)	3(5)	0(0)	76
<b>CSI</b>							<b>75</b>

Source: compiled from primary data.

It is clear from the table 4 that the sample respondents are highly satisfied with respect to the service charges levied by SBI as the overall CSI is 75. Disintegrated analysis reveal that CSI for service charges for remittance, service charge on current account and issue of demand are above 75 which indicates highly satisfied customers. Collection of outstation cheque alone

got CSI value 71 which also indicates the satisfied customers.

**Overall Customer Satisfaction Index:** Having seen the separate analysis of customer satisfaction with respect to different parameters of selected variables, it is essential to examine the segregated picture of the overall level of customer satisfaction of NRI Customers of SBI which is given below.

Table No. 5: Overall Customer Satisfaction Index		
S. No.	Indicators	CSI
1.	Customer satisfaction with respect to speed of transactions	76
2.	Customer satisfaction with respect to bank premises	71
3.	Customer satisfaction with respect to behavior of the employees	94
4.	Customer satisfaction with respect to service charges	75
<b>Overall CSI</b>		<b>79</b>

Table No.5 reveals that the overall composite index of customer satisfaction among sample NRI respondents is 79, which means the customers are highly satisfied with the service rendered by the bank. The CSI of most of the

parameters ranges from 70 – 90. This shows that the customers are highly satisfied with most of the services offered by the bank. Among four variables examined, customer satisfaction with respect to speed of transactions, behavior of

employees and service charges got satisfaction index ranging 75 to 100 showing highly satisfied customers. Customer satisfaction with respect to the bank premises got lowest index 71 and Customer satisfaction with respect to behavior of employees got highest CSI 94. However there are certain areas where the bank needs to improve such as parking facilities, seating facilities, collection of outstation cheques.etc

which will make the customers more satisfied. This study is significant since it throws light on the satisfaction of customers of SBI regarding the various services provided to them by SBI and helps the bank to design more customer centric strategies thus enhancing their customer relationship efforts while achieving customer satisfaction.

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