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A Study of Customer Satisfaction in Banking Services With Special Reference to Rural Areas of Ranchi District

DR. ASHOK KUMAR[1], VIKASH KUMAR SINGH[2]
[1]Supervisor, Faculty of Business & Management, Sai Nath University, Ranchi
[2]Research Scholar, Faculty of Business & Management, Sai Nath University, Ranchi

Abstract*—Customer satisfaction is an important indicator of service effectiveness in the banking sector, particularly in rural areas where accessibility, staff support, transaction convenience and problem resolution strongly influence the customer experience. This revised study examines customer satisfaction with banking services among 200 customers residing in selected rural and village clusters of Ranchi District. The sample has been distributed across Kanke, Ratu, Mandar, Ormanjhi, Namkum, Angara, Bero and Chanho areas. A descriptive survey framework is used and the analysis covers demographic characteristics, duration and frequency of banking use, satisfaction with local and outstation cheque clearance, loan sanctioning, issue resolution and staff behaviour. In addition to percentage analysis, revised tables present mean satisfaction scores, gender-wise differences, area-wise average values, difference-from-overall-mean values and rank order. The analytical results show an overall mean satisfaction score of approximately 3.36 on a five-point scale, indicating a moderate level of satisfaction. Local cheque clearance records the highest mean score, while outstation cheque clearance and loan sanctioning show comparatively lower scores. The analysis suggests that rural banking satisfaction can be improved through faster grievance handling, more consistent staff behaviour, better communication and stronger customer guidance.

***Keywords*— customer satisfaction, rural banking, HDFC Bank, Ranchi District, service quality, village customers, mean score analysis.**

I. INTRODUCTION

Banking has shifted from a transaction-oriented activity to a service-intensive relationship in which customer expectations influence retention, loyalty and the long-term reputation of a bank. Rural customers increasingly use formal banking for savings, loans, digital payments, government-linked transfers, education expenses and household financial planning. Their satisfaction therefore depends not only on the availability of banking products but also on how easily those products can be understood and accessed.

In rural and village settings, customers may face additional service challenges such as travel distance, limited familiarity with digital channels, dependence on branch staff for guidance, delays in document processing and difficulty in obtaining timely information. These conditions make it useful to study customer satisfaction specifically in rural Ranchi rather than relying only on city-based patterns. A focused analysis can identify the aspects of service that are functioning well and those that require improvement.

CUSTOMER SATISFACTION IN BANKING SERVICES

Customer satisfaction refers to the overall evaluation made by a customer after comparing expected service with actual service performance. When service quality is equal to or better than expectations, satisfaction generally increases. When performance is inconsistent, delayed or difficult to access, dissatisfaction may emerge. In banking, satisfaction is affected by employee behaviour, reliability, responsiveness, convenience, security, transparency and the ability of the bank to resolve customer problems within a reasonable time.

FACTORS AFFECTING CUSTOMER SATISFACTION

- Customer expectations regarding speed, courtesy, accuracy and convenience.
- Previous experience with the bank and comparison with other banking institutions.
- Availability and accessibility of branch, ATM and digital banking facilities.
- Employee behaviour, clarity of communication and willingness to assist rural customers.

- Time taken for cheque clearance, loan processing, complaint handling and other service requests.
- Customer knowledge of banking procedures, documents, service charges and digital features.

IMPORTANCE OF MEASURING CUSTOMER SATISFACTION
Regular measurement of customer satisfaction helps a bank understand whether its services are meeting customer expectations. It also helps identify gaps in branch operations, staff communication, complaint handling and product delivery. In rural markets, such measurement is especially useful because customer retention may depend on trust and personal service as much as on technology. Satisfaction surveys can therefore support service improvement, staff training, process simplification and customer education.

NEED OF THE STUDY
The need for the study arises from the growing importance of rural customers in the formal banking system and the increasing use of banking services in villages of Ranchi District. Although banking access has expanded, the quality of the customer experience may differ across areas because of variations in infrastructure, awareness, service demand and staff support. The study is intended to identify the level of satisfaction among rural customers and to compare average satisfaction across selected service dimensions and geographical areas.

SIGNIFICANCE OF THE STUDY
The study provides a rural perspective on banking service quality. Its findings can help identify which services receive relatively better evaluations and where additional attention is required. The use of mean-score and difference analysis makes the results more informative than percentages alone because it enables comparison across service categories, gender groups and rural areas. Such information may support branch-level planning, customer relationship management and more targeted service-improvement measures.

STATEMENT OF THE PROBLEM
Rural banking customers require reliable, understandable and timely services, yet satisfaction may be affected by delays, inconsistent staff assistance, inadequate guidance or difficulties in resolving problems. The problem addressed by the study is to determine the level of customer satisfaction with selected banking services among customers residing in rural areas of Ranchi District and to identify meaningful differences in satisfaction across service indicators, gender and area of residence.

STUDY AREA: RURAL RANCHI DISTRICT
For the revised analytical version, the study area is limited to customers residing in selected rural and village clusters associated with Kanke, Ratu, Mandar, Ormanjhi, Namkum, Angara, Bero and Chanho blocks of Ranchi District. These areas provide a practical spread across different parts of the district and allow comparison of banking experiences among rural respondents. The focus is on place of residence of the respondent rather than on claiming that every selected block contains an identical banking-service network.

OBJECTIVES OF THE STUDY
1. To examine the major banking services used by customers residing in selected rural areas of Ranchi District.
2. To assess the level of customer satisfaction with selected banking services.
3. To compare average satisfaction scores of male and female respondents.
4. To compare area-wise mean satisfaction scores across selected rural areas of Ranchi District.
5. To identify service dimensions that are above or below the overall mean satisfaction level.

II. RESEARCH METHODOLOGY

The study follows a descriptive survey design. The revised sample size is 200 customers residing in selected rural areas of Ranchi District. Data are organized through frequency, percentage and mean-score analysis. The sample is distributed across eight rural area clusters to provide a broader district-level representation. A five-point scoring system is used for the comparative analysis of satisfaction-related items.
Scoring procedure. For direct satisfaction items, weights of 5, 4, 3, 2 and 1 are assigned respectively to Highly Satisfied, Satisfied, Neutral/Others, Dissatisfied and Highly Dissatisfied. Equivalent ordered weights are used for problem-resolution and staff-behaviour items. The mean score is calculated as $\Sigma(f \times \text{weight}) / N$. The overall mean is the average of the five service-dimension mean scores.

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Difference value = Group/Service Mean − Overall Mean.

Data preparation note. The numerical values in this revised document are an analytical working dataset prepared from the supplied paper and the requested rural Ranchi profile. They are suitable for drafting, table development and method demonstration, but should be replaced or verified with actual respondent-level field-survey data before being represented as empirical research findings.

III. RESULTS AND DISCUSSION

Table 1. Gender-wise Classification of Respondents

Gender	No. of Respondents	Percentage
Male	112	56.0
Female	88	44.0
Total	200	100.0

The revised sample includes 112 male respondents (56%) and 88 female respondents (44%). This distribution is more balanced than the earlier table and allows a clearer gender-wise comparison of average satisfaction scores.

Table 2. Rural Area-wise Distribution of Respondents

Rural Area / Block Cluster	Respondents	Percentage
Kanke	26	13.0
Ratu	24	12.0
Mandar	24	12.0
Ormanjhi	25	12.5
Namkum	27	13.5
Angara	25	12.5
Bero	25	12.5
Chanho	24	12.0
Total	200	100.0

The sample is spread across eight selected rural area clusters. Namkum contributes the largest share at 13.5%, while Kanke accounts for 13%. The remaining areas each contribute between 12% and 12.5%, creating a relatively even geographical distribution.

Table 3. Age-wise Classification of Respondents

Age Group	Respondents	Percentage
Below 20 years	30	15.0
21–35 years	72	36.0
36–50 years	58	29.0
Above 50 years	40	20.0
Total	200	100.0

Respondents aged 21–35 years form the largest group (36%), followed by the 36–50 year category (29%). The distribution suggests that working-age customers constitute a major share of banking-service users in the revised rural sample.

Table 4. Monthly Income-wise Classification

Monthly Income	Respondents	Percentage
Less than ₹20,000	74	37.0
₹21,000–₹35,000	70	35.0
₹36,000–₹50,000	34	17.0
Greater than ₹50,000	22	11.0
Total	200	100.0

A combined 72% of respondents report monthly income below ₹35,000. This pattern is consistent with a rural-focused sample and highlights the importance of affordable, transparent and accessible banking services.

Table 5. Duration of Relationship with the Bank

Period	Respondents	Percentage
Below one year	32	16.0
1–4 years	78	39.0
5–7 years	42	21.0
8–10 years	25	12.5
Above 10 years	23	11.5
Total	200	100.0

The largest group of respondents (39%) has been associated with the bank for 1–4 years. Another 21% has a relationship of 5–7 years, indicating that a substantial portion of the sample has enough experience to evaluate banking services over time.

Table 6. Frequency of Using Banking Services

Frequency	Respondents	Percentage
Daily	46	23.0
Weekly	78	39.0
Monthly	52	26.0
Others / Rarely	24	12.0
Total	200	100.0

Weekly usage is the most common pattern, reported by 39% of respondents. Monthly use accounts for 26%, daily use for 23%, and occasional or rare use for 12%.

Table 7. Satisfaction with Local Cheque Clearance

Opinion	Respondents	Percentage
Highly satisfied	28	14.0
Satisfied	106	53.0
Neutral / Others	14	7.0
Dissatisfied	34	17.0
Highly dissatisfied	18	9.0
Total	200	100.0

Local cheque clearance receives a comparatively positive response: 67% of respondents are satisfied or highly satisfied. However, 26% report dissatisfaction or high dissatisfaction, indicating scope for further improvement in processing speed and communication.

Table 8. Satisfaction with Outstation Cheque Clearance

Opinion	Respondents	Percentage
Highly satisfied	24	12.0
Satisfied	98	49.0
Neutral / Others	16	8.0
Dissatisfied	40	20.0
Highly dissatisfied	22	11.0
Total	200	100.0

For outstation cheque clearance, 61% of respondents are satisfied or highly satisfied. The combined dissatisfied categories account for 31%, which is higher than for local cheque clearance and results in a lower mean satisfaction score.

Table 9. Satisfaction with Loan Sanctioning

Opinion	Respondents	Percentage
Highly satisfied	30	15.0
Satisfied	88	44.0
Neutral / Others	18	9.0
Dissatisfied	42	21.0
Highly dissatisfied	22	11.0
Total	200	100.0

A total of 59% of respondents are satisfied or highly satisfied with loan sanctioning. About 32% report dissatisfaction or high dissatisfaction, suggesting that documentation, turnaround time and communication about loan status require attention.

Table 10. Bank Responsiveness in Solving Customer Issues

Response	Respondents	Percentage
Always	48	24.0
Frequently	46	23.0
Occasionally	58	29.0
Some staff	28	14.0
Not at all	20	10.0
Total	200	100.0

Only 47% of respondents report that issues are solved always or frequently, while 29% report only occasional resolution. The result points to inconsistency in grievance handling and follow-up.

Table 11. Opinion on Bank Staff Behaviour

Opinion	Respondents	Percentage
Yes / Confident	42	21.0
Sometimes	64	32.0
Some staff	40	20.0
No / Not confident	32	16.0
Never / No confidence	22	11.0
Total	200	100.0

Only 21% of respondents express clear confidence in staff behaviour, while 32% report confidence only sometimes. The mixed distribution suggests that customer experience varies across staff members and service situations.

Table 12. Service-wise Mean Satisfaction Score and Difference from Overall Mean

Service Dimension	Mean Score	Difference	Rank	Position
Local cheque clearance	3.46	+0.10	1	Above overall mean
Issue resolution	3.37	+0.01	2	Slightly above mean
Staff behaviour	3.36	0.00	3	At overall mean
Outstation cheque clearance	3.31	-0.05	4	Below overall mean
Loan sanctioning	3.31	-0.05	4	Below overall mean

Overall mean satisfaction score = 3.36 on a 5-point scale. Difference = Service Mean − Overall Mean.

The average-value analysis shows that local cheque clearance has the highest mean score (3.46), which is 0.10 above the overall mean. Issue resolution and staff behaviour remain close to the overall average, while outstation cheque clearance and loan sanctioning are each 0.05 below the overall mean. These difference values help identify which services should receive priority for improvement.

Table 13. Male–Female Comparative Mean Satisfaction Scores

Service Dimension	Male Mean	Female Mean	Difference (F−M)	Higher Group
Local cheque clearance	3.50	3.41	-0.09	Male
Outstation cheque clearance	3.28	3.35	+0.07	Female
Loan sanctioning	3.36	3.25	-0.11	Male
Issue resolution	3.34	3.41	+0.07	Female
Staff behaviour	3.31	3.42	+0.11	Female
Overall average	3.36	3.37	+0.01	Female (slightly)

A positive difference indicates a higher female mean; a negative difference indicates a higher male mean.

The overall gender difference is very small: the female average (3.37) is only 0.01 higher than the male average (3.36). The largest female advantage appears in staff behaviour (+0.11), while male respondents show the higher mean for loan sanctioning by 0.11. These differences are descriptive and should not be treated as statistically significant without an appropriate inferential test.

Table 14. Rural Area-wise Average Satisfaction and Difference Value

Rural Area	N	Mean Score	Difference from Overall	Rank
Namkum	27	3.51	+0.15	1
Kanke	26	3.44	+0.08	2
Ormanjhi	25	3.40	+0.04	3
Ratu	24	3.38	+0.02	4
Angara	25	3.31	-0.05	5
Bero	25	3.30	-0.06	6
Mandar	24	3.29	-0.07	7
Chanho	24	3.23	-0.13	8

Weighted overall area mean ≈ 3.36. Positive difference means the area average is above the overall rural sample mean.

Namkum records the highest area-wise mean score (3.51), which is 0.15 above the overall rural average. Kanke and Ormanjhi also remain above the overall mean. Chanho records the lowest mean score (3.23), which is 0.13 below the overall average. The difference analysis suggests that service experience is not identical across rural areas.

Table 15. Positive Satisfaction Rate and Difference from Average Rate

Service	Positive Response (%)	Difference from 62.33%	Rank
Local cheque clearance	67.0	+4.67	1
Outstation cheque clearance	61.0	-1.33	2
Loan sanctioning	59.0	-3.33	3

Positive response = Highly Satisfied + Satisfied. Average positive rate across the three direct satisfaction services = 62.33%.

The positive-response comparison again identifies local cheque clearance as the strongest of the three directly measured services. Its positive rate is 4.67 percentage points above the three-service average. Loan sanctioning is 3.33 percentage points below the average and therefore emerges as a priority service area.

IV. MAJOR FINDINGS

1. The revised rural Ranchi sample contains 112 male respondents (56%) and 88 female respondents (44%).
2. The sample is distributed relatively evenly across Kanke, Ratu, Mandar, Ormanjhi, Namkum, Angara, Bero and Chanho rural area clusters.
3. The 21–35 year age group forms the largest share of the sample (36%).
4. Seventy-two percent of respondents report monthly income below ₹35,000.
5. Weekly banking use is the most common frequency category (39%).
6. Local cheque clearance has the highest service mean score of 3.46 and is 0.10 above the overall mean.
7. Outstation cheque clearance and loan sanctioning each have a mean score of 3.31, which is 0.05 below the overall mean.
8. The overall average satisfaction score is approximately 3.36 on a five-point scale, indicating a moderate level of satisfaction.
9. The male–female overall mean difference is only about 0.01, suggesting very similar general satisfaction levels in the revised working dataset.
10. Namkum has the highest area-wise mean (3.51), while Chanho has the lowest (3.23), creating a descriptive area difference of 0.28 points.
11. Problem resolution and staff behaviour show mixed responses, indicating the need for more consistent service quality across staff and locations.

V. SUGGESTIONS AND RECOMMENDATIONS

1. Strengthen rural customer-service training so that branch staff provide clear, respectful and consistent guidance to customers with different levels of banking awareness.
2. Introduce or strengthen time-bound grievance tracking so that customers receive acknowledgement, status updates and closure information for complaints.
3. Review loan documentation and sanction procedures to reduce avoidable delay and improve transparency regarding eligibility, required documents and processing stages.
4. Improve communication relating to outstation cheque clearance and other services that may involve longer processing time.
5. Conduct area-wise customer-satisfaction reviews because the revised mean scores suggest that service experience may differ across rural locations.
6. Use village outreach, customer camps and simple-language information material to improve awareness of digital banking, safety practices, service charges and complaint channels.
7. Maintain gender-inclusive service practices, since male and female respondents show only small overall differences but differ on specific service dimensions.
8. For final research reporting, apply inferential tests such as t-test or ANOVA to verified respondent-level data before concluding that observed gender or area differences are statistically significant.

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VI. CONCLUSION

The revised rural Ranchi analysis shows that customer satisfaction is neither uniformly high nor uniformly low across banking services. The overall mean score of about 3.36 indicates moderate satisfaction. Local cheque clearance performs relatively better, whereas loan sanctioning and outstation cheque clearance fall below the overall mean. Problem resolution and staff behaviour also require attention because a considerable proportion of respondents report only occasional or inconsistent support.

The additional average-value and difference tables provide a clearer analytical picture than simple percentages alone. Gender-wise mean scores are broadly similar, but service-specific differences appear in staff behaviour, issue resolution and loan sanctioning. Area-wise averages also vary, with Namkum above and Chanho below the overall rural mean in the revised dataset. These results support the need for service-quality monitoring at both the service and local-area levels.

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