



COMPARATIVE ANALYSIS OF BANKING PRODUCTS AND SERVICES OF SBI AND HDFC

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ABSTRACT

The banking industry plays a vital role in the global economy, offering a diverse range of financial products and services to meet the needs of individuals and businesses. This study aims to conduct a comparative analysis of banking products, providing a comprehensive evaluation of various offerings in terms of their features, benefits, and overall performance. The comparative analysis encompasses an extensive examination of multiple banking products, including checking accounts, savings accounts, credit cards, loans, and investment options. Key factors considered in the evaluation include interest rates, fees and charges, accessibility, customer service, rewards and benefits, as well as the overall user experience. The findings of this study will provide valuable information for consumers, businesses, and financial institutions seeking to make informed decisions about banking products. By highlighting the strengths and weaknesses of different offerings, this research aims to enhance transparency, promote competition, and ultimately empower customers to select the most suitable banking products for their individual needs.

KEYWORDS: banking products, comparative analysis, features, benefits, performance, interest rates, fees, customer service, rewards, user experience.

INTRODUCTION

Banks play a critical role in a country's economic growth. Banks also help to improve capital mobility. India's banking system has a long list of notable accomplishments over the last three decades. The banking industry is now one of India's most important service industries. The availability of High-quality services is critical to the economy's success. Banks attention has turned away from Customer acquisition to customer retention. The introduction of products and services into the Banking sector has changed the way people work. The banking sector's policy has undergone Radical transformations and various customer-oriented products, such as internet banking, are available. Customer's workload has been reduced mainly because of ATM providers, Telebanking, and electronic payments.

REVIEW OF LITERATURE

- **Allred (2020)**, Banking services sector of India is experiencing a prolific growth in the development and distribution of innovative and quality services or products. There is a growing realization that the key for developing a sustainable competitive advantage is to become customer driven.
- **Rao (2018)**, This study attempts an investigation of the service quality and products process in public Sector banks, and the customers' satisfaction thereof. In addition, it will evaluate the existing Literature and establish the identity of the gaps in the literature, which will provide the Framework on which this research is based. One of the study's major contributions to the Advancement of knowledge is the investigation of the service quality process from a Comparative perspective of different commercial banks customer perceptions and Expectations.

STATEMENT OF THE PROBLEM

Occasionally, people must spend three to four hours going through a bank transaction. Sometimes the cost of the transaction is more than that of money deposited or withdrawn. Through banking products and services customers can conduct financial transactions. On the other hand, using banking products and services brings certain problems such as lack of knowledge to operate the technology, set-up cost, legal issues, Lack of relationship among bankers and customers, security, and privacy issues.

OBJECTIVES OF THE STUDY

- To analyse the relationship between SBI and HDFC
- Comparing and evaluating financial performance of SBI and HDFC.
- To know the customer satisfaction of products and services of SBI and HDFC
- To find out the problem faced by the customer while availing banking products and services.



METHODOLOGY OF THE STUDY DATA COLLECTION

Primary data is gathered from direct observation of data personally collected. It refers to that data which is collected for a specific purpose from the field of enquiry and is original in nature. For the project data were collected mainly through survey methods, using the tool questionnaire.

Secondary data were used in the study. The data required for the study was gathered from the annual reports of the respective banks through their website. Data is collected from the secondary sources, which include Annual Reports, Data published on bank websites and journals.

SAMPLE METHOD

It is a convenience sampling method that was used for the purpose of this study. Data was collected from the public.

SAMPLE SIZE

The sample size taken for the study is 150 respondents.

TOOLS AND TECHNIQUES USED

- Simple percentage
- Ranking analysis
- Weighted average analysis
- Chi-square

ANALYSIS AND INTERPRETATION

TABLE NO:01
TABLE SHOWING RANKING OF BANKING PRODUCTS OF SBI

S.NO	BANKING PRODUCTS	1 (5)	2 (4)	3 (3)	4 (2)	5 (1)	TOTAL	RANK
1	ATM	46 230	5 20	41 123	45 90	11 11	474	II
2	Interest package	33 165	19 76	54 162	35 70	5 5	478	I
3	Loan	33 165	10 40	64 192	31 62	9 9	468	III
4	Net banking	34 170	6 24	45 135	45 90	18 18	437	IV
5	Early cheque clearance	32 160	8 32	45 135	45 90	17 17	434	V
6	Phone banking	35 175	8 32	43 129	36 72	26 26	434	VI

SOURCE: Primary data

INTERPRETATION

From the above table 4.18, in the ranking analysis it is found that ATM (Rank 2), which comes next followed by interest package (Rank 1) loan (Rank 3), Phone banking (Rank 6), Net banking (Rank 4), Early cheque clearance (Rank 5)

Ranking of banking products of SBI

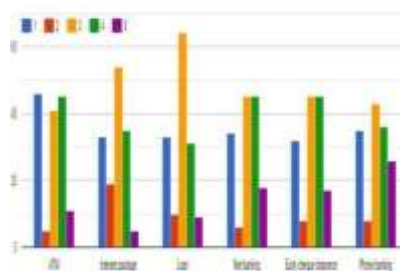




TABLE NO:02 SATISFACTION LEVEL OF SBI AND HDFC

S.NO	BANKING PRODUCTS AND SERVICES	Satisfied	Unsatisfied	Average	Highly satisfied	Highly dissatisfied	TOTAL	MEAN SCORE
1	Banking products available by both banks	73	2	56	15	2	573	3.82
2	Technology used in the bank	43	26	65	12	2	540	3.6
3	Willingness of the employee to help customers	43	4	82	15	4	511	3.40
4	Online services	41	6	64	30	7	542	3.613
5	Service of sending timely bank statement	43	3	64	11	27	522	3.48

Source: Primary Data

Satisfaction level of SBI and HDFC

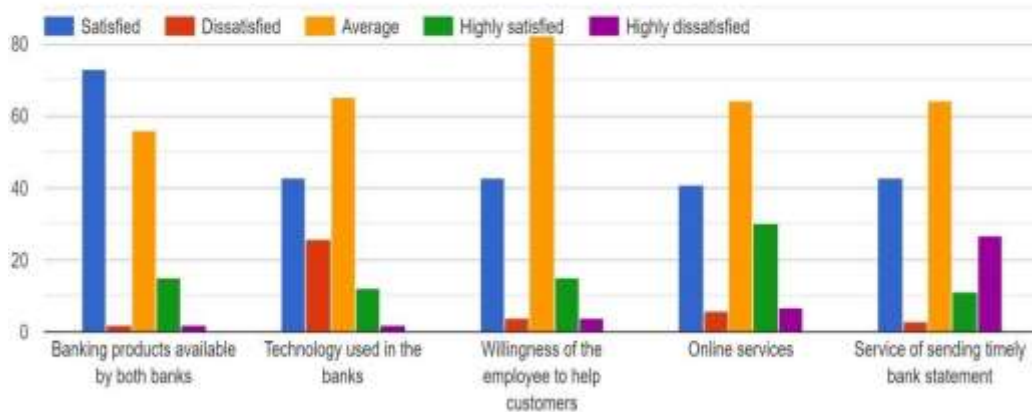


TABLE NO.03
TABLE SHOWING CHI-SQUARE ON OCCUPATION AND ACCOUNT FACILITIES

Occupation	Account facilities				TOTAL
	Savings account	Current account	Fixed deposit	NRI account	
Professional	25	2	1	1	29
House wife	23	2	2	0	27
Business	21	2	3	0	26
Student	57	7	3	1	68
TOTAL	126	13	9	2	150

To find out the association between Occupation and account facilities, chi square test is used and result is given below.

HYPOTHESIS

Ho-There is no association between Occupation and account facilities. H1-There is an association between Occupation and facilities.



CHI – SQUARE TEST

Factor	Calculation value	Degree offreedom	Table value	RESULT
Pearson chi –square	4.153 ^a	9	16.92	Accepted

INTERPRETATION

It is clear from the above table show that, the calculated valueof chi-square at (0.05) level is greater than the table value. Hence the hypothesis is accepted. So it can be concluded that, There is noassociation between Occupation and account facilities.

FINDINGS, SUGGESTIONS AND CONCLUSIONFINDINGS

- Majority of the respondents (RANK 1) towards interest package on rankingbanking products of SBI.
- Majority of the respondents (RANK 1) towards ATM on ranking banking products of HDFC.
- The calculated value of chi square at 0.05% is less than the tablevalue. Hence, hypothesis is accepted. So there is no significant relationship between profession and account facility.

SUGGESTIONS

- To Promote Financial Literacy Through Customer Education.
- To become a Trusted Advisor to Small Business Customers.
- To develop a Truly Omnichannel Customer Experience.
- To provide Customers with Self-Service Opportunities.
- To encourage customized Banking. With digital banking, back-office cloud and analytics can provide customers witha customized user experience with everything from a customized user interface to customized support, fees and services.
- To provide blockchain of the Future. Be Proactive Rather ThanReactive.
- To Ensure Customer Privacy and Security. Interact More withCustomers.

CONCLUSION

The banking sector in India has been an ever-evolving time to time, measures havebeen introduced to evolve new dimensions of the banking sector This study derives variousconclusions from the research with respect to gap between customers perception & expectation of both HDFC & SBI. It has been proved in the study that HDFC provides better customer service in comparison to SBI. There is an urgent need to improve all the dimensions with special attention should be given to the Reliability & Responsiveness part.It is no denying fact that SBI is topmost public sector bank of India, however if the top management doesn't think about improving service quality on immediate basis in comparison to private sector banks that time will not be far enough when SBI loses substantial market share to Private sector banks like HDFC. HDFC is doing well on the tangibility and empathy dimension, whereas SBI performing well on reliability, responsiveness, and assurance dimensions Mainly SBI is doing well on insisting on error free record, employees telling customers exactly what service will be performed and employees are never too busy to respond to customers. Whereas HDFC is performing wellon giving customers individual customers and employees always being willing to help customers.

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