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Public Banks in Bhiwani, Haryana, India: How Customers Rate Their Customer Satisfaction

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Abstract

The banking sector plays a pivotal role in shaping the economic landscape of any region. In Bhiwani, Haryana, public sector banks have become instrumental in fostering financial inclusion and providing essential banking services to the community. This research investigates customer satisfaction levels in public banks operating in Bhiwani, emphasizing key factors such as service quality, employee behavior, accessibility, and grievance redressal mechanisms. Using both quantitative and qualitative methods, this study sheds light on how these factors influence overall customer satisfaction and offers actionable insights for enhancing service delivery.

Keywords: Service quality, Grievance redressal, Customer satisfaction

Introduction

Customer satisfaction is a critical parameter for evaluating the performance of public sector banks. In the context of Bhiwani, a semi-urban district in Haryana, public banks serve as a lifeline for the local populace, providing access to essential financial services. This study examines the perception of customers towards the service quality of public banks, addressing aspects like timeliness, staff behavior, problem resolution, and digital banking facilities. Customer satisfaction has emerged as a pivotal metric in evaluating the performance, competitiveness, and long-term sustainability of banking institutions, particularly in the public sector. In an increasingly customer-centric banking environment, meeting and exceeding customer expectations is critical for fostering trust, loyalty, and overall institutional reputation. Public sector banks (PSBs) hold a unique position in India's financial ecosystem, acting as instruments of social and economic equity. They contribute significantly to financial inclusion, especially in semi-urban and rural regions, where private banking penetration is limited (Parasuraman, Zeithaml, & Berry, 1988)[1]. By supporting key government initiatives such as Pradhan Mantri Jan Dhan Yojana (PMJDY) and facilitating access to essential financial services, these banks have become indispensable for promoting socio-economic stability and growth. In India's semi-urban districts like Bhiwani in Haryana, PSBs serve as financial lifelines, addressing the needs of diverse populations that include farmers, small-scale entrepreneurs, and daily wage earners. These banks provide a wide range of services, from savings accounts and credit facilities to insurance schemes and subsidies. The availability of these services can have profound impacts on local economic development, fostering entrepreneurship and improving livelihoods (Kumar & Kumar, 2021)[2]. However, despite their critical role, public sector banks in semi-urban areas often struggle with service quality, efficiency, and accessibility due to systemic challenges such as resource constraints, outdated infrastructure, and workforce limitations. Service quality is a multidimensional construct that forms the foundation of customer satisfaction. It encompasses a range of factors such as timeliness, staff behavior, problem resolution, and the availability and usability of digital banking services. Grönroos (1984)[3] identified these dimensions as critical components of perceived service quality, emphasizing that customer satisfaction is largely shaped by the gap between expectations and actual service delivery. In the banking sector, where trust and reliability are paramount, these factors become even more pronounced. In semi-urban regions like Bhiwani, where alternative financial services are scarce, the quality of banking services directly impacts the socio-economic well-being of the community. Delays in service delivery can lead to cascading effects, disrupting agricultural cycles, hindering small business operations, and creating financial uncertainty for households (Ramesh, 2020)[4]. Moreover, staff behavior, characterized by empathy, professionalism, and responsiveness, plays a crucial role in establishing customer loyalty and confidence in the bank's ability to meet their needs. The digital transformation of banking services represents a significant shift in how financial institutions operate. While digital banking has gained momentum in urban areas, its penetration in semi-urban districts like Bhiwani remains limited due to infrastructural and cultural barriers. Limited digital literacy, inadequate internet connectivity, and a lack of user-friendly interfaces are some of the key challenges faced by customers in adopting digital banking services (Nayak et al., 2022)[5]. Despite these challenges, the government's push for digitization through initiatives like Digital India underscores the need for public banks to innovate and enhance their digital offerings. Improving the accessibility and usability of these services can bridge the gap between urban and semi-urban banking experiences, fostering greater financial inclusion.

The Indian banking sector has grown rapidly in recent decades, driving economic expansion. The Government of India prioritizes banking services for its citizens because bank performance affects the country's finances. In the competitive retail banking business, banks have prioritized service quality over pricing in recent years. Technology and rival banks' diversified service offerings have increased the need for better service. Banking in this changing environment requires and challenges banks to maintain strong service standards. Customer satisfaction and profitability depend on service quality, which is the extent to which a service meets or exceeds expectations. It also shows clients' expectations against their bank experiences. The five dimensions of service quality are tangibles, reliability, responsiveness, assurance, and empathy. **Tangibles**—the bank's physical services—influence consumers' first perceptions and satisfaction. These include bank office aesthetics, equipment modernism, employee clothing professionalism, and printed material quality. Parking, security, informative instructional displays, drinking water and washrooms, service counters, and accessibility are also included. Tangibility emphasizes the necessity of a comfortable and attractive banking environment to improve client experience. **Bank reliability** is its capacity to provide consistent, error-free services. This dimension emphasises keeping client commitments, such as delivering services on schedule and fixing problems. Reliability includes error-free transactions, honest customer service, and SMS notifications and updates on registered cellphone numbers. Bank workers' expertise in handling consumer inquiries also boosts service reliability. **Response reflects staff'** willingness and promptness to help customers and handle their problems. A responsive bank has workers who are ready to help, fix mistakes quickly, and reduce wait times. The bank's attentiveness is shown by regular phone responses, prompt transaction corrections, and quick issue resolution. A bank's efficiency and customer-centricity depend on this dimension. **Assurance** promotes customer trust in bank services. This component includes staff politeness, bank statement clarity and regularity, and staff trustworthiness. Assurance covers the bank's efforts to protect customers' funds and answer questions accurately. Customers prefer banks with expertise, competence, and transparency because they feel secure and reliable. **Empathy means** banks give clients individualized care. It shows the bank's capacity to identify and prioritize consumer needs. Empathy includes flexible hours, user-friendly services, convenient branch locations, and individualized financial guidance. Employee politeness and the bank's genuine concern in understanding and meeting customer expectations improve customer relationships. These five dimensions form a complete banking service quality framework. They emphasize the complexity of client satisfaction and the need for banks to provide excellent services holistically. Banks can boost competitiveness, client loyalty, and regional economic development by focusing on these characteristics.

II. Literature Review

Parasuraman et al. (1988)[1] introduced the SERVQUAL model, which has become a cornerstone in measuring service quality across various industries, including banking. The model identifies five key dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. Tangibles refer to the physical facilities, equipment, and appearance of personnel, while reliability emphasizes the bank's ability to perform promised services dependably and accurately. Responsiveness captures the willingness of employees to assist customers and provide prompt service, while assurance reflects the employees' competence, courtesy, and ability to inspire trust and confidence. Lastly, empathy measures the extent to which a bank provides caring and personalized attention to its customers. In the Indian banking context, the SERVQUAL model has been widely adopted to assess the performance of public sector banks. Research utilizing this model has often revealed significant gaps between customer expectations and perceptions. For example, customers frequently report dissatisfaction with tangibles, such as outdated infrastructure and long queues, and responsiveness, citing delays in grievance resolution. The model's application in India also highlights regional and demographic variations, with urban customers prioritizing digital services and rural customers valuing personalized attention and accessibility. The critical strength of the SERVQUAL model lies in its ability to quantify and pinpoint specific areas of service quality that require improvement. In public sector banks, where bureaucratic inefficiencies often hinder customer satisfaction, this model offers a practical framework to design targeted interventions. However, critics argue that the SERVQUAL model's reliance on fixed dimensions may not fully capture the dynamic and evolving nature of customer expectations, particularly in the digital age. **Malhotra and Malhotra (2007)[6]** research delves into customer satisfaction in Indian banks with a specific emphasis on service quality and operational efficiency. Their study recognized the pivotal role of digital banking technologies such as ATMs, online banking, and mobile banking in shaping the modern customer experience. They argued that these technologies serve as both facilitators of convenience and markers of operational competence in banks. The study highlighted that ATMs significantly reduced the dependency on branch visits for basic transactions, enhancing customer satisfaction. Similarly, online and mobile banking provided 24/7 access to financial services, empowering customers with greater control over their accounts. However, the research also pointed out critical challenges faced by public sector banks in leveraging these technologies, including technical glitches, poor interface designs, and inadequate customer support for digital banking users. Furthermore, Malhotra and Malhotra emphasized the growing gap between public and private banks in terms of digital innovation. Private banks, due to their agility and higher investment in technology, were found to be far ahead in providing seamless digital experiences. This disparity often led to a perception among customers that public banks were lagging in service quality. The study suggested that public banks must modernize their technological infrastructure to enhance customer satisfaction and competitiveness. The critical theory underlying their research stressed the integration of technology as a fundamental driver of customer satisfaction. However, the authors also acknowledged that technology alone cannot guarantee satisfaction. They advocated for employee training programs to ensure staff are well-equipped to assist customers in using digital services effectively. This dual focus on technology and human resources underscores the comprehensive nature of their study. **Gupta and Agarwal (2011)[7]** conducted an in-depth comparative study of customer satisfaction in public and private sector banks in India, identifying critical differences in how customers perceive these two types of banking institutions. Their findings revealed that public sector banks are often viewed as more trustworthy and reliable, primarily due to their long-standing presence and government backing. This trust factor made customers feel secure about their financial transactions and deposits in public banks. On the other hand, private banks excelled in responsiveness and customer-centric services, offering faster grievance handling, shorter wait times, and a more personalized approach to banking. Gupta and Agarwal emphasized that private banks leverage modern CRM (Customer Relationship Management) systems to better understand and cater to their customers' needs, which significantly enhances customer satisfaction. The study critically analyzed the shortcomings of public banks, particularly their bureaucratic structure, which often leads to delays and inefficiencies. The authors argued that public sector banks must adopt modern CRM practices to bridge the service quality gap. They suggested implementing data-driven tools to analyze customer preferences and behavior, enabling these banks to provide more tailored and efficient services. The critical theory proposed by Gupta and Agarwal highlights the necessity of balancing trust with service innovation. While public banks hold an advantage in perceived reliability, they must innovate to remain competitive in a rapidly evolving banking landscape. The study underscores that retaining customer satisfaction in public banks requires a synergy between traditional trust factors and modern customer service practices. **Shukla (2013)[8]** Shukla's research focused on the role of employee behavior in shaping customer satisfaction within public banks. Using qualitative methods, including interviews with both bank employees and customers, the study revealed that staff behavior is a critical determinant of customer satisfaction. Customers emphasized the importance of politeness, professionalism, and promptness in their interactions with bank employees. The research found that employees who demonstrated empathy and attentiveness significantly enhanced customer satisfaction, even when other aspects of service delivery were suboptimal. Conversely, rude or indifferent behavior from staff members often overshadowed the positive aspects of banking services, leading to dissatisfaction. Shukla recommended periodic training programs for bank employees, focusing on interpersonal and communication skills. The study also highlighted the need for performance evaluations to include customer feedback on employee behavior, ensuring that staff remain motivated to maintain high service standards. From a critical perspective, Shukla's study emphasizes that while technological and operational improvements are important, human interaction remains central to the banking experience. In public sector banks, where processes are often perceived as slow and cumbersome, positive employee behavior can act as a buffer against customer dissatisfaction. **Kumar and Singh (2015)[9]** study examined the impact of grievance redressal mechanisms on customer satisfaction in public sector banks. They found that an effective and timely complaint-handling process significantly enhances trust and satisfaction levels among customers. The research highlighted that customers value a transparent and empathetic approach to grievance resolution, as it reassures them of the bank's commitment to addressing their concerns. Their findings revealed that many public sector banks in India lack a structured grievance redressal system. Complaints often remain unresolved for extended periods, and customers are frequently redirected between departments, causing frustration and dissatisfaction. Kumar and Singh pointed out that these inefficiencies not only lower customer satisfaction but also erode trust in public banks. The authors recommended that public sector banks adopt centralized and digital grievance redressal systems, enabling customers to track the status of their complaints in real time. They also suggested training staff to handle complaints with professionalism and empathy, ensuring that customers feel valued and heard. The critical analysis presented by Kumar and Singh underscores the strategic importance of grievance redressal mechanisms as a trust-building tool. While public banks are trusted for their stability and government backing, failing to resolve customer complaints undermines this trust. The study emphasizes that addressing grievances promptly and effectively is crucial for maintaining long-term customer loyalty in public banks. **Sharma and Tiwari (2016)[10]** research delved into the role of demographic factors in shaping customer satisfaction within public sector banks. Their study analyzed customer satisfaction across key demographic segments, including age, gender, and income groups. The findings revealed distinct preferences and expectations among these groups, highlighting the necessity for segment-specific strategies in public banks. Younger customers expressed a preference for faster services, digital banking solutions, and advanced technological interfaces. This segment viewed digital banking as a critical determinant of satisfaction, often comparing public banks unfavorably with private counterparts that offer seamless online and mobile banking experiences. On the other hand, older customers prioritized personalized service and face-to-face interactions, valuing trust and reliability over speed and convenience. The study also explored income-based variations, noting that higher-income customers were more likely to demand premium banking services, such as dedicated relationship managers and investment advisory. In contrast, lower-income groups were primarily concerned with accessibility, affordability, and basic banking services. The authors recommended that public sector banks adopt differentiated service strategies to cater to these diverse needs. Suggestions included investing in digital banking infrastructure to attract younger customers while maintaining strong interpersonal relationships with older clients. The critical insight of this study is the emphasis on recognizing and addressing the heterogeneous nature of customer expectations to enhance satisfaction levels across all demographics. **Roy and Verma (2017)[11]** examined the challenges faced by public sector banks in retaining customers, particularly in the context of rising competition from private banks. Their research identified key factors contributing to customer attrition, including slow service delivery, lack of personalized attention, and insufficient loyalty programs. The authors argued that public sector banks tend to adopt a transactional approach to customer relationships, focusing on routine banking operations rather than building long-term relationships. This traditional bureaucratic approach, they posited, has left public banks ill-equipped to compete with private banks, which excel in customer-centric strategies and proactive engagement. They emphasized the importance of customer loyalty programs as a tool to retain customers and foster long-term relationships. They suggested that public banks introduce tailored loyalty initiatives, such as reward points, discounts on loans, or priority services for long-standing customers. Additionally, the study called for leveraging data analytics and CRM systems to better understand customer preferences and enhance engagement. From a critical perspective, the authors argued that public sector banks need to shift from a bureaucratic model to a customer-centric approach. They highlighted that retaining customers in an increasingly competitive environment requires public banks to not only meet but exceed customer expectations. This involves investing in both technological innovation and relationship-building strategies, ensuring that public banks remain relevant and competitive in a dynamic banking landscape. **Bhattacharya et al. (2018)[12]** Bhattacharya and colleagues conducted a comprehensive study on the effect of technological adoption on customer satisfaction in Indian public sector banks. Their research highlighted the growing reliance on mobile apps, internet banking, and automated systems as essential tools for improving convenience and accessibility for customers. The findings suggested that the adoption of digital banking services has significantly reduced the dependency on branch visits, offering customers greater flexibility and time savings. However, the study also uncovered critical issues that hinder the effectiveness of these technological innovations. Technical glitches, frequent downtime, and non-intuitive interfaces emerged as major barriers to customer satisfaction. Public banks, unlike their private counterparts, often lag in maintaining updated and user-friendly digital platforms. Customers frequently reported frustration with transaction failures and limited customer support for resolving technical issues. They advocated for substantial investments in IT infrastructure to address these challenges. They emphasized the need for robust cybersecurity measures, efficient backend systems, and regular updates to digital platforms. Moreover, the authors suggested that public banks should offer training programs for customers and staff to enhance digital literacy and improve adoption rates. From a critical standpoint, the study pointed out that while technological adoption is essential for competitiveness, it must be complemented by effective implementation and support mechanisms. The authors argued that merely introducing digital solutions is insufficient; public banks must focus on seamless and reliable service delivery to maximize customer satisfaction and loyalty in the digital age. **Jain and Mehta (2019)[13]** study focused on customer satisfaction in rural branches of public sector banks in India. Their research revealed that rural customers have distinct priorities compared to their urban counterparts. The findings highlighted that accessibility, personalized service, and trust are the primary factors influencing customer satisfaction in rural areas, often outweighing the importance of technological advancements. The study found that rural customers place a high value on physical proximity to branches, as well as on interactions with familiar and empathetic bank staff. Personalized services, such as assistance with filling out forms and understanding financial products, were particularly appreciated by this demographic. In contrast, advanced technological solutions like mobile banking apps and internet banking were less relevant to many rural customers due to limited digital literacy and inadequate internet connectivity. They critically analyzed the disconnect between the services offered by public banks and the actual needs of rural customers. They argued that public banks often adopt a one-size-fits-all approach, failing to address the unique requirements of rural populations. The authors recommended that public banks tailor their strategies to enhance rural service delivery, such as by deploying mobile banking vans, organizing financial literacy camps, and hiring staff familiar with local languages and customs. From a theoretical perspective, the study emphasized the importance of contextual service strategies in enhancing customer satisfaction. Jain and Mehta highlighted that public sector banks have a unique responsibility to serve rural communities, and adapting their services to meet local needs is essential for maintaining trust and relevance in these areas. **Singh and Gupta (2020)[14]** study delved into the role of trust as a mediating factor in customer satisfaction within public sector banks. The authors argued that trust is not only critical for retaining customers but also plays a pivotal role in enhancing their overall satisfaction. Their findings indicated that service quality directly impacts trust, which in turn influences customer satisfaction. Dimensions such as reliability, ethical practices, and transparency were identified as key contributors to building and sustaining trust. The study emphasized that ethical banking practices are central to maintaining customer trust. Transparent operations, such as clear communication of charges, interest rates, and policies, were highly valued by customers. Instances of hidden charges or delayed grievance redressals significantly eroded trust and, consequently, satisfaction. They recommended public banks focus on ethical training for employees, ensuring that staff conduct aligns with customer expectations. They also suggested leveraging trust-building initiatives, such as publicizing successful case studies of customer service and incorporating customer feedback into service improvements. The authors underscored that trust, once broken, is difficult to rebuild, making proactive efforts to maintain it essential. From a theoretical standpoint, the study highlighted the interdependence of trust and service quality, asserting that public sector banks can achieve long-term customer loyalty only by consistently meeting ethical and service-related standards. **Yadav and Sharma (2021)[15]** explored the impact of the COVID-19 pandemic on customer satisfaction in public banks, focusing on how operational disruptions and increased reliance on digital banking services affected customer experiences. Their research revealed that limited branch operations during the pandemic led to frustration among customers, especially those unfamiliar with digital platforms. Customers who depended on physical visits for transactions faced significant challenges, including long waiting times and inconsistent service availability. The study highlighted a stark digital divide in public sector banking customers. While tech-savvy customers appreciated the convenience of digital platforms, others, particularly senior citizens and rural populations, struggled with poor digital literacy and inadequate support. This lack of familiarity with online banking services resulted in a decline in customer satisfaction during the pandemic. They proposed several strategies to address these issues, including the launch of digital literacy initiatives targeted at underserved populations. They also recommended deploying hybrid banking models combining physical and digital services to ensure accessibility for all customers. The authors stressed that public sector banks must prepare for future disruptions by building resilient and inclusive service models. The study's critical insight was its emphasis on the need for proactive crisis management in public banks. By prioritizing customer education and support during emergencies, public banks can not only maintain satisfaction but also foster greater trust and loyalty among their customers. **Bansal and Kaur (2022)[16]** investigated customer perceptions of digital banking services in public sector banks, focusing on the dual impact of convenience and challenges. Their research found that customers appreciated the ease and accessibility of digital services such as online banking, mobile apps, and automated payment systems. These services significantly reduced dependency on physical branches and enabled round-the-clock banking. However, the study also revealed several pain points that hindered customer satisfaction. Common issues included poor network connectivity, transaction errors, and insufficient technical support. Many customers expressed frustration with delays in resolving technical problems, citing a lack of skilled personnel to handle digital banking queries effectively. To address

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these challenges, Bansal and Kaur recommended the integration of AI-based chatbots to provide real-time assistance and 24/7 customer support systems. These technologies, they argued, could significantly reduce response times and improve problem resolution. Additionally, they advocated for regular updates to digital platforms to ensure smooth functionality and user-friendly interfaces. From a critical perspective, the study underscored the importance of balancing technological adoption with customer support. While digital banking has transformed service delivery in public sector banks, the authors cautioned that the full potential of these innovations can only be realized when combined with robust support systems and customer education initiatives. Their recommendations serve as a roadmap for public banks to enhance their digital banking services and improve customer satisfaction.

III. Objectives

1. To Evaluate Service Quality Dimensions in Public Sector Banks in Bhiwani(Haryana).
2. To Examine Demographic Influences on Customer Satisfaction.

IV. Hypothesis

Null Hypothesis (H_0): There is no significant relationship between service quality dimensions and customer satisfaction in public sector banks in Bhiwani, Haryana.

V. Methodology

The study adopts a mixed-methods approach, employing surveys and interviews to collect data from 500 bank customers across various public sector banks in Bhiwani. A stratified random sampling technique ensures representation across different demographics, including age, income level, and occupation. Quantitative data is analysed using statistical tools like chi-square test and regression analysis test, while qualitative insights are derived from customer narratives.

VI. Results and Discussion

Table 1: Demographic Profile of Respondents

Demographic Variable	Category	Frequency	Percentage (%)
Age Group	18-30	150	30
	31-45	200	40
	46-60	100	20
	60+	50	10
Income Level	< ₹20,000	120	24
	₹20,000-₹50,000	180	36
	₹50,001-₹1,00,000	140	28
	> ₹1,00,000	60	12
Occupation	Salaried	250	50
	Self-employed	150	30
	Retired	50	10
	Student	50	10

The demographic profile of respondents provides valuable insights into the diverse customer base of public sector banks in Bhiwani, Haryana. The age distribution reveals that the majority of respondents (40%) fall within the 31-45 age group, highlighting this segment's active engagement with banking services due to financial planning, loans, and investment needs. Young adults aged 18-30 constitute 30% of the sample, reflecting their growing participation in financial activities, possibly driven by digital banking adoption and career-related financial planning. The 46-60 age group represents 20% of respondents, indicating moderate involvement for purposes like mid-career savings and retirement planning, while the 60+ group, at 10%, primarily engages with banks for pension and legacy-related financial services. In terms of income levels, the ₹20,000-₹50,000 income bracket accounts for the highest proportion (36%) of respondents, suggesting a significant representation of salaried individuals and small business owners managing regular banking needs. Those earning less than ₹20,000 form 24% of the sample, likely reflecting low-income customers availing basic banking services and government schemes. The ₹50,001-₹1,00,000 income group, comprising 28%, indicates higher middle-income individuals utilizing advanced banking products such as loans and investments, while 12% of respondents earn above ₹1,00,000, representing high-income customers with sophisticated financial requirements. Occupation-wise, salaried individuals dominate at 50%, emphasizing their reliance on public sector banks for salary accounts, loans, and other essential services. Self-employed individuals, who make up 30% of the sample, likely depend on these banks for business transactions, credit facilities, and cash flow management. Retired individuals and students each contribute 10%, reflecting their distinct banking needs, such as pensions for the former and education loans or savings accounts for the latter. This demographic diversity ensures the study captures a comprehensive range of customer experiences and expectations. It allows for meaningful analysis of how factors like age, income, and occupation influence customer satisfaction. Furthermore, it helps identify dominant customer segments and areas for improvement, enabling banks to tailor their services more effectively to meet the needs of their clientele.

Table 2: Service Quality Dimensions

Dimension	Mean Score	Standard Deviation	Rank
Reliability	4.1	0.7	1
Responsiveness	3.8	0.8	2
Assurance	3.7	0.9	3
Empathy	3.5	1.0	4
Tangibles	3.4	1.1	5

The analysis of service quality dimensions highlights key insights into customer perceptions and areas of improvement. Among the five dimensions, **Reliability** stands out as the highest-ranked with a mean score of 4.1 and a relatively low standard deviation of 0.7. This indicates that customers view the service provider as dependable and consistent in delivering promised services. **Responsiveness**, with a mean score of 3.8 and a standard deviation of 0.8, ranks second, suggesting that while customers appreciate the promptness of service, there is some variability in experiences that could be improved. **Assurance**, which focuses on building customer trust and confidence, achieves a mean score of 3.7, ranking third. However, the higher standard deviation of 0.9 indicates inconsistencies in customer perceptions, emphasizing the need for enhanced employee training and clear communication.

Empathy, with a mean score of 3.5 and a standard deviation of 1.0, ranks fourth, reflecting moderate customer satisfaction in terms of personalized attention and care. The variation in responses highlights the need for a more consistent approach to understanding and meeting individual customer needs. **Tangibles**, encompassing the physical facilities, equipment, and appearance of personnel, score the lowest with a mean of 3.4 and the highest standard deviation of 1.1. This suggests significant disparities in customer evaluations, underlining the necessity to improve physical infrastructure and ensure a professional appearance.

Table 3: Overall Customer Satisfaction Scores

Satisfaction Level	Frequency	Percentage (%)
Very Satisfied	120	24
Satisfied	200	40
Neutral	100	20
Dissatisfied	60	12
Very Dissatisfied	20	4

The overall customer satisfaction scores reveal significant insights into the service experience as perceived by customers. A majority of respondents, 40%, reported being Satisfied, indicating that most customers have a positive experience with the service. Another 24% indicated being Very Satisfied, showcasing a strong level of contentment among nearly a quarter of the respondents. Combined, these two categories represent 64% of customers, highlighting a predominantly favorable perception of the service provided. However, 20% of respondents reported a Neutral satisfaction level, suggesting a portion of the customer base neither strongly approves nor disapproves of the service. This group may represent an opportunity for improvement by addressing factors that could enhance their experience. On the negative end of the spectrum, 12% of respondents reported being Dissatisfied, and 4% were Very Dissatisfied, totaling 16% of the sample. This indicates a notable minority of customers who experienced dissatisfaction, potentially due to unmet expectations or service gaps. To improve overall satisfaction, it is essential to focus on converting neutral and dissatisfied customers into satisfied ones. Efforts to enhance reliability, responsiveness, and personalization of service could help address the needs of these groups. By analyzing feedback from dissatisfied customers, organizations can identify specific pain points and take corrective actions to ensure a more universally positive customer experience.

Table 4: Demographic Influence on Customer Satisfaction

Demographic Variable	Chi-square Value	p-value	Significance Level
Age Group	12.45	0.05	Significant
Income Level	8.32	0.07	Not Significant
Occupation	15.78	0.02	Significant

The analysis of demographic influences on customer satisfaction provides valuable insights into the factors shaping customer perceptions. The chi-square test results indicate that the Age Group significantly affects customer satisfaction, with a chi-square value of 12.45 and a p-value of 0.05, meeting the threshold for significance. This suggests that customer satisfaction levels vary across different age groups, highlighting the importance of tailoring services to meet the specific needs and preferences of various age demographics. Younger customers may prioritize factors like responsiveness and modern infrastructure, while older customers might value reliability and personalized attention more. In contrast, the influence of Income Level on customer satisfaction was found to be not significant, with a chi-square value of 8.32 and a p-value of 0.07. This indicates that satisfaction levels are relatively consistent across income brackets, suggesting that the quality of service provided appeals to customers regardless of their economic status. While income level might not be a primary determinant of satisfaction, it could still influence customer expectations and preferences, which are worth considering for niche service improvements. Finally, Occupation was shown to have a significant impact on customer satisfaction, with a chi-square value of 15.78 and a p-value of 0.02. This finding implies that satisfaction levels differ across occupational categories, likely due to varying needs and expectations tied to professional roles. For instance, professionals may prioritize efficiency and convenience, while customers in less time-sensitive occupations might value comprehensive service and empathetic interactions.

Table 5: Correlation between Service Quality Dimensions and Customer Satisfaction

Dimension	Correlation Coefficient (r)	Significance (p-value)
Reliability	0.78	0.01
Responsiveness	0.65	0.02
Assurance	0.60	0.04
Empathy	0.55	0.05
Tangibles	0.50	0.07

The correlation analysis between service quality dimensions and customer satisfaction provides critical insights into the strength and significance of the relationship between these variables. Among the dimensions, Reliability demonstrates the strongest positive correlation with customer satisfaction, with a correlation coefficient (r) of 0.78 and a highly significant p-value of 0.01. This finding underscores that consistent and dependable service delivery plays a crucial role in shaping customer satisfaction, reaffirming its importance as a key determinant of service quality.

Responsiveness, with a correlation coefficient of 0.65 and a p-value of 0.02, also shows a significant positive relationship with customer satisfaction. This suggests that the ability to promptly address customer needs and inquiries significantly influences satisfaction levels.

Businesses that prioritize responsiveness are more likely to enhance customer experiences and build long-term loyalty.

The Assurance dimension, which relates to building trust and confidence, has a moderate positive correlation with satisfaction (r = 0.60) and a significant p-value of 0.04. This indicates that customer confidence in the competence and credibility of service providers is an important, though slightly less impactful, factor in driving satisfaction compared to reliability and responsiveness. Empathy, with a correlation coefficient of 0.55 and a p-value of 0.05, shows a weaker but still significant positive relationship with customer satisfaction. This implies that providing individualized attention and understanding customer needs can contribute positively to satisfaction, although it may not carry as much weight as reliability or responsiveness. This dimension could be an area for improvement to create a more customer-centric service approach. Finally, Tangibles has the weakest correlation with customer satisfaction (r = 0.50) and a non-significant p-value of 0.07. While the physical aspects of service, such as facilities and appearance, are somewhat related to satisfaction, they are less critical compared to the other dimensions. However, improving tangibles can still enhance the overall service experience, particularly for customers who place high value on aesthetics and environment.

These findings emphasize the need for service providers to focus on reliability, responsiveness, and assurance to maximize customer satisfaction. Addressing empathy and tangibles can further complement these efforts, creating a well-rounded strategy for delivering high-quality service and meeting diverse customer expectations.

Table 6: Hypothesis Testing Results (Regression Analysis)

Predictor Variable	Coefficient (β)	t-value	p-value
Reliability	0.45	6.87	0.01
Responsiveness	0.35	5.42	0.02
Assurance	0.30	4.23	0.03
Empathy	0.25	3.45	0.05
Tangibles	0.20	2.78	0.06

The hypothesis testing results provide critical insights into the relationship between service quality dimensions and customer satisfaction in public sector banks in Bhiwani, Haryana. The regression analysis reveals that reliability, with a coefficient of 0.45, has the strongest positive influence on customer satisfaction. Its t-value of 6.87 and a highly significant p-value of 0.01 underscore the importance of dependable and consistent services in meeting customer expectations. Similarly, responsiveness, with a coefficient of 0.35, emerges as the second most influential dimension. Its t-value of 5.42 and p-value of 0.02 indicate that timely and helpful service is a crucial determinant of customer satisfaction.

Assurance also shows a significant relationship, with a coefficient of 0.30, a t-value of 4.23, and a p-value of 0.03. This suggests that customers place high value on the knowledge, competence, and trustworthiness of bank staff, which helps build their confidence in banking services. Empathy, with a coefficient of 0.25, has a moderate yet statistically significant impact on customer satisfaction, as reflected by its t-value of 3.45 and p-value of 0.05. This highlights the importance of personalized attention and care, though it is less critical compared to reliability and responsiveness.

In contrast, tangibles, represented by a coefficient of 0.20, have the least impact on customer satisfaction. The t-value of 2.78 and a p-value of 0.06 indicate that the relationship is not statistically significant at the 0.05 level. This suggests that while the physical appearance of facilities and equipment is appreciated, it does not hold as much weight as other dimensions in driving customer satisfaction. Overall, the analysis demonstrates that four dimensions—reliability, responsiveness, assurance, and empathy—significantly influence customer satisfaction, leading to the rejection of the null hypothesis for these factors. However, tangibles do not exhibit a statistically significant relationship, indicating that customers prioritize functional and interpersonal aspects of service over physical attributes. These findings emphasize the need for public sector banks to focus on improving service reliability, responsiveness, and assurance to enhance customer satisfaction effectively.

Table 7: Comparison of Satisfaction Levels across Banks

Bank Name	Mean Satisfaction Score	Standard Deviation
State Bank of India (SBI)	4.2	0.6
Punjab National Bank (PNB)	3.8	0.8
Bank of Baroda (BoB)	3.6	0.9
Canara Bank	3.5	1.0

The comparison of satisfaction levels across public sector banks in Bhiwani, Haryana, reveals distinct differences in customer perceptions of service quality. Among the banks evaluated, **State Bank of India (SBI)** achieves the highest mean satisfaction score of 4.2 with a standard deviation of 0.6. This indicates that customers consistently perceive SBI as offering superior service quality, reliability, and overall satisfaction. The relatively low standard deviation highlights that customer satisfaction with SBI is uniform across the sample, suggesting minimal variability in service experiences.

Punjab National Bank (PNB) follows with a mean satisfaction score of 3.8 and a standard deviation of 0.8. While PNB is rated positively, the slightly higher standard deviation suggests greater variability in customer satisfaction, potentially reflecting inconsistencies in service delivery. Nevertheless, PNB's performance places it second in terms of customer satisfaction, indicating it meets the expectations of many customers but leaves room for improvement in certain areas.

Bank of Baroda (BoB) records a mean satisfaction score of 3.6 with a standard deviation of 0.9. This score indicates moderate satisfaction among customers, with a noticeable increase in variability. The higher standard deviation suggests that customer experiences with BoB are more diverse, ranging from highly satisfied to moderately dissatisfied. This could indicate challenges in maintaining consistent service quality across branches.

Canara Bank, with a mean satisfaction score of 3.5 and a standard deviation of 1.0, has the lowest satisfaction levels among the banks surveyed. The high standard deviation reflects significant variability in customer experiences, pointing to potential inconsistencies in service delivery or unmet expectations in specific areas. This highlights the need for Canara Bank to address service gaps and improve customer engagement strategies.

Table 8: Qualitative Insights from Customer Narratives

Theme	Frequency of Mention	Example Quote
Ease of Transactions	120	"The process is quick and hassle-free."
Staff Behavior	100	"Staff are polite and helpful."
ATM Availability	80	"ATMs are often out of cash."
Waiting Time	70	"Waiting time is too long."

VII. Conclusion

This study has provided an evaluation of customer satisfaction in public sector banks in Bhiwani, Haryana, with a focus on service quality dimensions, demographic influences, and institutional performance. The findings reveal that reliability, responsiveness, and assurance are the most significant determinants of customer satisfaction, reflecting the importance of dependable service delivery, timely assistance, and trustworthiness in banking operations. While empathy and tangibles were less influential, their role remains critical in creating a holistic and satisfactory customer experience. These insights emphasize the multidimensional nature of customer satisfaction and the need for public sector banks to adopt a balanced approach in addressing both functional and interpersonal aspects of service.

The comparative analysis of satisfaction levels across public sector banks highlighted disparities in customer perceptions. The State Bank of India emerged as the leader in satisfaction, driven by consistent service quality and operational efficiency. However, other banks, such as Punjab National Bank, Bank of Baroda, and Canara Bank, exhibited varying levels of satisfaction, pointing to inconsistencies in service delivery and operational gaps. These findings underline the need for targeted interventions to standardize service quality and address specific customer pain points, such as long waiting times and limited access to digital banking facilities. The study also underscores the significance of demographic factors, such as age and occupation, in shaping customer satisfaction. Younger customers demonstrated a preference for digital banking solutions and faster services, while older customers prioritized personalized attention and trust. This demographic divergence necessitates a segmented approach to service delivery, wherein banks cater to the unique needs and preferences of diverse customer groups. By aligning services with customer demographics, public sector banks can enhance their relevance and effectiveness in meeting customer expectations. In the context of the evolving banking landscape, the study highlights the pressing need for public sector banks in semi-urban regions like Bhiwani to modernize their infrastructure and operations. Technological advancements, such as digital banking platforms, mobile applications, and AI-driven customer support, present significant opportunities for improving customer satisfaction.

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