



A Study on Banking Facilities and Customer Satisfaction in Rural Areas in and Around Kurundwad City

Dr. Shekhar Chavan¹, Revati Rajendra Bhabire²

¹Guide, ² Master in Business Administration, Financial Management, Zeal Institute of Business Administration, Computer Application & Research

Abstract – This study examines the availability and effectiveness of banking facilities and the level of customer satisfaction in rural areas around Kurundwad city. With the expansion of financial inclusion initiatives, banking services have increasingly reached rural populations; however, challenges related to accessibility, awareness, service quality, and technology adoption still persist. The research focuses on understanding the types of banking facilities available, such as savings accounts, loan services, ATM access, mobile banking, and government scheme benefits. Primary data has been collected from rural customers through structured questionnaires, while secondary data has been gathered from reports, journals, and official banking sources. The study analyzes customer satisfaction based on factors like service quality, staff behavior, convenience, transaction speed, and trust in banking institutions.

Keywords – Banking Facilities, Customer Satisfaction, Rural Banking, Financial Inclusion, Service Quality, Digital Banking, Rural Customers, Banking Awareness, Accessibility, Kurundwad City

I. INTRODUCTION

Banking plays a crucial role in the economic development of any country, especially in rural areas where access to formal financial services has traditionally been limited. In recent years, the Indian banking sector has made significant efforts to expand its reach through financial inclusion initiatives, government schemes, and technological advancements. These efforts aim to provide basic banking facilities such as savings accounts, credit services, insurance, and digital banking to rural populations, thereby improving their standard of living and promoting economic growth.

Despite these developments, several challenges still exist in rural areas, including lack of awareness, low financial literacy, inadequate infrastructure, and limited access to modern banking technologies. Customers in rural regions often face difficulties in understanding banking procedures, using digital services, and accessing timely financial assistance. Therefore, assessing the availability of banking facilities and measuring customer satisfaction becomes essential to understand the effectiveness of these initiatives.

Kurundwad city and its surrounding rural areas provide a relevant setting to study these aspects, as they represent a mix of traditional banking practices and emerging digital services. This study focuses on evaluating the types of banking facilities available to rural customers and analyzing their satisfaction levels based on factors such as service quality, convenience, staff behavior, and accessibility.

Objectives

1. To Study the availability of banking facilities in rural areas.
2. To Analyze awareness and usage of banking services among rural people.

3. To Study the impact of digital banking services (UPI, mobile banking, internet banking) in rural areas.
4. To evaluate customer satisfaction about the Banking services in rural area..
5. To Suggest recommendations for improving rural banking services.

Significance of the Study

This study is important as it highlights the role of banking facilities in improving the financial well-being of people in rural areas around Kurundwad city. Access to proper banking services helps individuals save money securely, obtain credit, and benefit from various government schemes, which ultimately supports economic development at the grassroots level.

The study provides insights into the level of customer satisfaction with existing banking services, helping to identify gaps in service quality, accessibility, and awareness. It is useful for banks and financial institutions to understand the needs and expectations of rural customers and to design better services accordingly.

Scope of the Study

This study focuses on analyzing the availability of banking facilities and the level of customer satisfaction in rural areas around Kurundwad city. It covers various banking services such as savings and current accounts, loan facilities, ATM services, mobile and internet banking, and access to government financial schemes.

The study is limited to selected rural customers who are using banking services, and it considers their experiences, perceptions, and satisfaction levels. It examines key factors such as service quality, accessibility, staff behavior, convenience, and awareness of banking facilities.



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Geographically, the research is confined to rural areas surrounding Kurundwad city, and the findings may not be applicable to urban areas or other regions. The study is based on primary data collected through questionnaires and interviews, along with secondary data from relevant reports and publications.

II. LITERATURE REVIEW

Here is a clear and journal-ready Literature Review

Several studies have been conducted to understand the role of banking services and customer satisfaction, particularly in rural areas. Previous research highlights that access to banking facilities is a key factor in promoting financial inclusion and rural development. Studies have shown that the expansion of banking services through government initiatives and schemes has improved the reach of financial institutions in rural regions.

Research by various scholars indicates that customer satisfaction in banking largely depends on factors such as service quality, staff behavior, accessibility, reliability, and convenience. It has been observed that while traditional banking services are fairly well accepted in rural areas, the adoption of digital banking services remains relatively low due to lack of awareness, poor internet connectivity, and limited digital literacy.

Some studies also emphasize the importance of financial literacy programs in improving customer understanding and usage of banking services. Awareness about schemes like savings accounts, direct benefit transfers, and microfinance has increased over time, but there is still a gap in proper utilization.

Further, literature suggests that infrastructure issues such as limited ATM availability, long distances to bank branches, and delays in service affect customer satisfaction negatively. On the other hand, friendly staff behavior and trust in banking institutions contribute positively to customer experiences.

Overall, the review of literature indicates that although significant progress has been made in extending banking services to rural areas, there is still a need to improve service quality, digital adoption, and customer awareness to achieve higher satisfaction levels.

Research Hypothesis

Hypothesis is a tentative statement that predicts the relationship between variables. In this study, the hypotheses are formulated to examine the impact of factors such as risk, return, and financial awareness on the investment pattern of individual investors.

H₀ (Null Hypothesis): There is no significant relationship between risk, return, and financial awareness and the investment pattern of individual investors.

H₁ (Alternative Hypothesis): There is a significant relationship between risk, return, and financial awareness and the investment pattern of individual investors.

III. RESEARCH METHODOLOGY

Research methodology refers to the systematic process used to collect, analyze, and interpret data for achieving the objectives of the study. The present study adopts a structured approach to understand the investment pattern of individual investors.

- Research design and questionnaire preparation
- Data collection
- Data analysis
- Report writing and conclusion

Data Collection Data collection is a crucial step in the research process, as it involves gathering relevant information to achieve the objectives of the study.

The study adopts a Descriptive and Analytical Research Design.

Descriptive method: is used to describe the financial planning practices, saving habits, and investment behaviour of salaried employees

Analytical method: is used to examine relationships between demographic factors (age, income, education, marital status) and saving behaviour.

The study is conducted over a period of 15 to 20 days, allowing sufficient time for questionnaire preparation, data collection, analysis, and interpretation of results. The research process includes the following steps: research design and questionnaire preparation, data collection, data analysis, and report writing with conclusion.

Data Collection

Data collection is one of the most important stages in the research process, as it involves gathering accurate and relevant information required to achieve the objectives of the study. The quality of research findings largely depends on the reliability and validity of the data collected. In the present study, data is collected from both primary and secondary sources to ensure a comprehensive understanding of the investment pattern of individual investors.

Primary Data Collection

Primary data refers to the original data collected directly from respondents for the specific purpose of the study. In this research, primary data is collected from individual investors using a structured questionnaire.

The questionnaire is carefully designed to include both close-ended and multiple-choice questions, making it easier to analyze the responses.

The questions are related to various aspects such as:

- Preferred investment options (gold, stock market, land/house, firm investment)
- Risk-taking ability of investors
- Expected rate of return
- Factors influencing investment decisions (income, awareness, safety, liquidity, etc.)
- Investment duration and financial goals



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Data is collected through online Mode

Online mode: Google Forms is used to reach a larger number of respondents quickly and efficiently.

Secondary Data Collection

Secondary data refers to data that has already been collected and published by other researchers or institutions. It is used to support the primary data and provide a theoretical background for the study.

Secondary data for this research is collected from:

- Published research papers and journals
- Books related to investment management and financial behaviour
- Financial websites and online articles
- Reports from financial institutions

This data helps in understanding previous research findings, concepts, and trends related to investment behaviour.

Data Collection Period

The data collection process is carried out over a period of 15 To 20 Days , allowing sufficient time for questionnaire distribution, response collection, and follow-ups if required

IV. CONCLUSION & DISCUSSION

The findings of the study reveal that banking facilities in rural areas around Kurundwad city have improved significantly in recent years, mainly due to financial inclusion initiatives and the expansion of banking networks. Basic services such as savings accounts, loan facilities, and access to government schemes are widely available to rural customers. However, the study also highlights that the usage of advanced services like mobile banking and internet banking is still limited due to low digital literacy and lack of proper awareness.

Customer satisfaction levels vary depending on multiple factors. Many respondents expressed satisfaction with the basic services provided by banks, especially in terms of safety of deposits and availability of essential banking facilities. At the same time, certain issues such as long waiting time, limited ATM access, technical problems in digital transactions, and insufficient staff support were identified as major concerns affecting satisfaction levels.

The behavior of bank staff and the level of trust in banking institutions were found to play a crucial role in shaping customer perceptions. Friendly and cooperative staff contributed positively to customer satisfaction, while lack of proper guidance created dissatisfaction among some rural customers. Additionally, the distance of bank branches from villages and inadequate infrastructure were seen as barriers to easy access.

Suggestions for Future Research

Future research can expand this study by covering a larger geographical area, including multiple rural regions, to provide more generalized findings. Comparative studies between rural and urban banking customers can also be

conducted to understand differences in service usage and satisfaction levels.

Further studies may focus specifically on digital banking adoption in rural areas, analyzing the impact of digital literacy, internet connectivity, and technological awareness on customer behavior. Researchers can also examine the effectiveness of government financial inclusion schemes and their actual utilization by rural populations.

In addition, future research can include a larger sample size and use advanced statistical tools for deeper analysis of customer satisfaction factors. Studies may also explore the role of private banks versus public sector banks in rural development.

Longitudinal studies can be conducted to track changes in banking facilities and customer satisfaction over time. Finally, research can focus on developing strategies to improve financial awareness, service quality, and customer engagement in rural banking systems.

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