

A Study on Customer Complaints and Redressal Mechanism in State Bank of India

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ABSTRACT:

This study examines customer complaints and the effectiveness of grievance redressal mechanisms in State Bank of India. The research focuses on identifying the nature and frequency of customer complaints related to banking services such as ATM, digital banking, and loan services. It evaluates the awareness and usage of various complaint channels, including branches, online portals, and mobile applications. The study also analyzes customer satisfaction with the resolution process and the efficiency of the bank's grievance handling system. Primary data was collected from 190 respondents using a structured questionnaire, supported by secondary data from reports and literature. Statistical tools such as percentage analysis, ranking method, and chi-square test were applied for data interpretation. The findings reveal that most complaints are related to digital banking services and that customers exhibit moderate satisfaction with resolution outcomes. The study highlights gaps in awareness, delays in resolution, and challenges in using digital platforms. It emphasizes the importance of improving responsiveness, transparency, and customer communication. The research concludes that an efficient redressal mechanism is essential for enhancing customer satisfaction and trust in the banking system.

KEYWORDS: Customer Complaints, Grievance Redressal Mechanism, State Bank of India, Customer Satisfaction, Digital Banking

INTRODUCTION:

Customer satisfaction plays a vital role in the success of modern banking institutions, especially in a highly competitive and technology-driven environment. With the rapid growth of digital banking services such as online transactions, mobile banking, and ATM facilities, the chances of customer complaints have also increased. Issues like transaction failures, delays in service, technical errors, and communication gaps are common in banking operations. An effective grievance redressal mechanism is essential to address these complaints promptly and ensure a positive banking experience, thereby building trust and long-term relationships with customers.

The State Bank of India, being the largest public sector bank in India, serves a diverse customer base across various regions. It has established multiple channels for complaint handling, including branch-level support, customer care services, online portals, and mobile applications. However, challenges such as lack of awareness, delays in resolution, and difficulties in using digital platforms still persist. This study focuses on analyzing the nature of customer complaints and evaluating the effectiveness of the bank's grievance redressal system, with the aim of identifying gaps and suggesting improvements to enhance customer satisfaction and service quality.

STATEMENT OF THE PROBLEM:

- Customer satisfaction is vital for banks like State Bank of India, where increasing digital services have led to more complaints such as transaction errors and service delays.
 - Customers face issues like lack of awareness, difficulty in using complaint channels, and delays in resolution.
 - These problems affect trust, making it important to study complaints and improve the redressal system.
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SCOPE OF THE STUDY:

- The scope of the study focuses on analyzing customer complaints in State Bank of India, including issues related to banking services like accounts, digital transactions, and ATMs.
 - It examines the grievance redressal mechanisms such as branches, customer care, online portals, and mobile applications.
 - The study also assesses customer awareness, accessibility, and effectiveness of these complaint handling channels.
 - It evaluates customer satisfaction with the resolution process and is limited to selected respondents without comparison to other banks.
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OBJECTIVES:

1. To analyze the nature of customer complaints and evaluate the effectiveness of the complaint redressal mechanisms adopted by the State Bank of India.
 2. To assess the level of customer awareness regarding grievance redressal mechanisms and RBI Banking Ombudsman services in SBI.
 3. To study the role of technology-based platforms such as online banking, mobile apps, and customer care portals in complaint redressal.
 4. To identify challenges faced by customers in registering and resolving complaints.
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TOOLS AND DATA ANALYSIS:

For the purpose of analysis, there are various statistical tools such as

- Percentage analysis
 - Rank analysis
 - Chi Square Tests
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REVIEW OF LITERATURE:

1. S. Mohamed Imran Sharif and Dr. M. Balasubramanian (2026) studied service quality in State Bank of India using the SERVQUAL model. Data from 250 customers were analyzed using statistical tools like correlation, t-test, and ANOVA. Findings showed positive service quality, but gaps existed in responsiveness, assurance, and empathy. Reliability had the strongest impact on satisfaction, and improvements in service and technology were recommended.
2. T. Sobharani and Priyadarshini C (2025) examined service quality and customer satisfaction in public sector banks. The study used the RATER model to analyze five service dimensions. Results showed that responsiveness and reliability are key factors influencing customer satisfaction. It concluded that effective complaint handling and service improvement build trust and long-term confidence.

3.Ms. Ravina and Dr. Vipin Nandal (2025) analyzed grievance redressal and its impact on satisfaction and loyalty. The study used statistical tools like Chi-square, ANOVA, regression, and SEM. Findings showed that digital complaint channels are preferred, and timely resolution increases customer trust. The study recommended improving digital platforms and responsiveness to enhance satisfaction and loyalty.

**DATA ANALYSIS AND INTERPRETATION:
PERCENTAGE ANALYSIS**

**TABLE 1
GENDER**

	FREQUENCY	VALID PERCENTAGE
Male	80	42.1
Female	110	57.9
Prefer not to say	0	0
TOTAL	190	100

Sources: Computed from Primary data

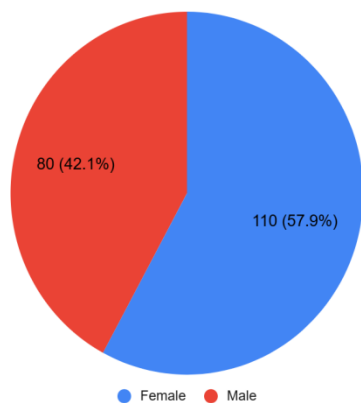
INTERPRETATION

The table indicates that 42.1% (80 respondents) are male, showing a moderate level of male participation. 57.9% (110 respondents) are female, indicating a higher representation of female respondents in the survey. 0% (0 respondents) preferred not to say their gender, which shows that all respondents were willing to disclose their gender.

INFERENCES

Majority (57.9%) of the respondents are female.

**CHART 4.2
GENDER**



CHI-SQUARE

Residential Status and Digital platform used for registering complaints

Null Hypothesis (H₀): There is no significant association between the Residential Status of the respondents and Digital Platform used for registering complaints

TABLE 2

CROSS TABULATION:

Residential Status and Digital platform used for registering complaints

Crosstab							
Count		Digital platform used for registering complaints					Total
		Bank mobile application	Internet banking website	Customer care portal / grievance portal	Social media channels	Branch assisted digital registration	
Age Group	Rural	23	16	11	3	1	54
	Urban	24	28	28	5	2	87
	Semi-rural	5	3	2	1	1	12
	Semi-urban	15	9	8	3	2	37
Total		67	56	49	12	6	190

Chi Square Tests

Chi-Square Tests				
	Value	Df	Table Value	Result
Pearson Chi-Square	8.435	12	21.026	H ₀ (Supported)

Source: Computed from Primary Data

DEGREE OF FREEDOM = (Rows - 1) × (Columns - 1)

= (4 - 1) × (5 - 1)

DF = 12

TABLE VALUE = 21.026

CALCULATED VALUE = 8.435

INTERPRETATION:

The Chi-Square test was applied to examine the relationship between residential status and the digital platform used for registering banking complaints. The calculated Chi-Square value (8.435) is less than the table value (21.026) at 12 degrees of freedom. Therefore, the null hypothesis (H₀) is accepted, indicating that there is no significant association between residential status (rural, urban, semi-urban, semi-rural) and the choice of digital platform for registering complaints.

RANK ANALYSIS

Customer Ranking of Banking Channels for Quick Complaint Resolution

	1	2	3	4	5	Score	Average	Rank
Mobile banking application	41	47	47	32	23	621	3.27	2
Online banking portal	28	64	56	34	8	640	3.37	1
Customer care email/portal	21	37	80	41	11	586	3.08	3
Toll-free helpline linked with digital systems	26	36	65	45	18	577	3.04	4
Social media grievance handling	23	50	46	38	33	562	2.96	5

INTERPRETATION

The table shows that the Online banking portal achieved a score of 640 and an average of 3.37, securing the 1st rank, indicating it is the most preferred channel for quick resolution. The Mobile banking application followed with a score of 621 and an average of 3.27, placing it at the 2nd rank. Customer care email/portal earned a score of 586 and an average of 3.08, resulting in the 3rd rank. The Toll-free helpline linked with digital systems received a score of 577 and an average of 3.04, placing it at the 4th rank. Finally, Social media grievance handling scored 562 with an average of 2.96, ranking it 5th, which shows it is currently the least preferred channel among the options for fast redressal.

INFERENCES

Online banking portal is ranked 1st as the most preferred channel for quick resolution.

FINDINGS

- Majority (57.9%) of the respondents are female.
- There is no significant association between residential status and the digital platform used for registering complaints.
- Online banking portal is ranked 1st as the most preferred channel for quick resolution.

SUGGESTIONS

- Increasing awareness programs through digital media, SMS, and bank branches can help educate customers about grievance redressal systems. This will enable customers to understand complaint procedures and available channels more clearly. As a result, improved awareness will lead to better utilization of redressal mechanisms.
- Simplifying the complaint registration process by reducing unnecessary steps and making it user-friendly can improve accessibility. A simple and clear interface will help customers easily lodge complaints without confusion. This will encourage more customers to report issues and seek timely solutions.
- Reducing response and resolution time by implementing efficient complaint handling systems is essential. Faster acknowledgment and timely resolution will meet customer expectations effectively. This will increase customer satisfaction and build trust in State Bank of India.

CONCLUSION

The study concludes that the grievance redressal system of State Bank of India is moderately effective and has adapted to the growing use of digital platforms. A large number of young and digitally active customers prefer mobile applications and online portals for registering complaints, showing a shift toward technology-based services. Although the system is accessible and resolution time is reasonable, customer satisfaction remains mostly neutral, indicating that expectations are only partially fulfilled.

The study also identifies key challenges such as lack of clear instructions, technical issues, delays in response, and limited awareness about advanced mechanisms like the Banking Ombudsman. These gaps highlight the need for improvements in user experience, transparency, and efficiency. By enhancing awareness, simplifying procedures, improving communication, and strengthening digital infrastructure, SBI can significantly improve its grievance redressal system and deliver a more effective and customer-centric service experience.

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