

Comparative Study of Selected Service Delivery Aspects of SBI and HDFC Bank Using SERVQUAL Model

Suvel Deonath Gaidhane¹ and Prof. (Dr.) Khushpat S. Jain²

Research Scholar, Sydenham College of Commerce & Economics, Mumbai¹

Research Guide, Sydenham College of Commerce & Economics, Mumbai²

Dr. Homi Bhabha State University, Mumbai

bluesuvel@gmail.com and ks Jain2002@yahoo.com

Abstract: *This paper presents a comparative study of State Bank of India (SBI) and HDFC Bank with a focus on two key SERVQUAL dimensions: Reliability and Empathy. A structured questionnaire was administered to 800 respondents (400 from each bank) in the Mumbai Metropolitan Region. Descriptive statistics, reliability testing, and Independent Samples t-tests were applied to analyse customer perceptions.*

The findings reveal that both banks are positively perceived in terms of reliability, though with different strengths: SBI was rated higher for timely service delivery and accurate record maintenance, while HDFC performed better in complaint resolution. In the empathy dimension, HDFC Bank consistently outperformed SBI, particularly in providing individual attention, understanding customer needs, and ensuring inclusive service options. Lower standard deviations for HDFC further indicate more uniform customer experiences.

The study concludes that while SBI demonstrates strong operational dependability, HDFC Bank has established a clear edge in customer-centric service. These results underline the growing importance of empathy-driven engagement alongside operational reliability in India's competitive banking sector..

Keywords: SBI; HDFC Bank; Service Quality; SERVQUAL; Reliability; Empathy; Customer Perception; Indian Banking Sector

I. INTRODUCTION

The Indian banking sector has witnessed a major transformation over the past few decades, where service quality has emerged as a key determinant of competitiveness. Customers increasingly judge banks not only on financial products but also on the quality of service delivery, which directly influences their trust and loyalty (Gupta & Dev, 2012).

Among the established frameworks for evaluating service quality, the SERVQUAL model by Parasuraman, Zeithaml, and Berry (1988) is widely recognised. Although it identifies five dimensions, the present study focuses exclusively on two critical aspects— Reliability and Empathy—as they represent the foundation of consistent service delivery and personalised customer care in banking (Kumar & Bhat, 2014).

A comparative assessment of these aspects between the State Bank of India (SBI), the country's largest public sector bank, and HDFC Bank, a leading private sector institution, provides valuable insights into sectoral differences. Such an evaluation not only highlights the strengths and weaknesses of each bank but also contributes to the broader understanding of service quality delivery in Indian banking (Kumbhar, 2011).

II. REVIEW OF LITERATURE

Parasuraman, Zeithaml, and Berry (1988) introduced the SERVQUAL model, identifying five service quality dimensions that remain widely applied across industries, including banking. Their work provided the foundation for measuring customer expectations and perceptions in a structured manner.



Gupta and Dev (2012) compared public, private, and foreign banks in India and found that private and foreign banks scored higher on service quality, with public banks lagging especially in empathy and responsiveness.

Kumbhar (2011) examined customer satisfaction in Indian banking and highlighted that reliability and empathy significantly influenced customer loyalty. His study showed that personalised attention was often lacking in large public sector banks.

Kumar and Bhat (2014) conducted a comparative study of public and private sector banks, finding that while private banks were rated better in delivering error-free services, public sector banks maintained strength in customer trust due to their outreach and stability.

Zeithaml, Bitner, and Gremler (2009) reinforced that empathy—manifested through personalised care—plays a vital role in retaining long-term customers, particularly in service-intensive industries like banking.

Research Gap:

While several studies have evaluated overall service quality in banks using SERVQUAL, limited research has focused specifically on Reliability and Empathy as stand-alone dimensions in a comparative framework between SBI (public sector) and HDFC Bank (private sector). This gap provides scope for a focused analysis that deepens understanding of customer perceptions of service delivery in India's largest public and private banks.

III. RESEARCH OBJECTIVES

The primary objective of this study is to conduct a comparative assessment of selected service delivery aspects of SBI (public sector) and HDFC Bank (private sector) using the SERVQUAL framework. Specifically, the study focuses on two dimensions: Reliability and Empathy.

- (1) To analyse customer perceptions regarding reliability in SBI and HDFC Bank.
- (2) To evaluate customer perceptions regarding empathy in SBI and HDFC Bank.
- (3) To test whether significant differences exist between the two banks with respect to these dimensions of service delivery.

IV. HYPOTHESIS

To examine the comparative perceptions of service quality between SBI and HDFC Bank, hypotheses were formulated for the two selected SERVQUAL dimensions. These hypotheses test for significant differences in customer views regarding reliability and empathy between the two banks.

Hypothesis 1: Reliability

H₀₁ (Null Hypothesis):

There is no significant difference between SBI and HDFC Bank in customer perceptions regarding reliability.

H₁₁ (Alternative Hypothesis):

There is a significant difference between SBI and HDFC Bank in customer perceptions regarding reliability.

Hypothesis 2: Empathy

H₀₁ (Null Hypothesis):

There is no significant difference between SBI and HDFC Bank in customer perceptions regarding empathy.

H₁₁ (Alternative Hypothesis):

There is a significant difference between SBI and HDFC Bank in customer perceptions regarding empathy.

V. RESEARCH METHODOLOGY

Research Design

The study adopted a descriptive and comparative research design to evaluate service quality perceptions of SBI and HDFC Bank. The SERVQUAL model served as the conceptual framework, but the scope was restricted to two dimensions — Reliability and Empathy — owing to their central role in customer trust, operational dependability, and personalised service.



Sampling Design

A stratified random sampling technique was used to ensure balanced representation of customers from both banks. The sample was drawn from branches located in the Mumbai Metropolitan Region (MMR), covering diverse zones (Mumbai City, Mumbai Suburban, Navi Mumbai) and different locality types (residential, commercial, and mixed-use).

Sample Size:

800 respondents (400 each from SBI and HDFC Bank).

Data Collection

Primary data were collected using a structured SERVQUAL questionnaire with a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). The questionnaire was divided into sub-sections for the two selected service quality dimensions:

- Reliability: Accuracy of services, timely delivery, complaint resolution, error-free transactions, and record maintenance.
- Empathy: Individual attention, understanding unique customer needs, alignment with financial goals, inclusivity of services, and personalised advice.

Secondary data were also consulted from academic journals, reports, and bank websites to provide contextual background and support the literature review.

Tools and Techniques of Analysis

- Descriptive Statistics – Means, standard deviations, frequencies, and percentages were computed to summarise customer responses.
- Reliability Testing – Internal consistency of the scale was tested using Cronbach's Alpha (α). Both dimensions recorded coefficients above 0.98, confirming excellent reliability.
- Inferential Analysis – Independent Samples t-tests were applied to compare customer perceptions of SBI and HDFC across the two dimensions. Results were interpreted at a 5% level of significance.

Scope and Limitations

The study was confined to the Mumbai Metropolitan Region and to two SERVQUAL dimensions only; therefore, findings cannot be generalised to all banks or service quality aspects.

The cross-sectional design captures perceptions at a specific time period and does not account for changes in customer satisfaction over time.

Despite these limitations, the research provides useful insights into service delivery differences between public and private sector banks in India.

VI. DATA ANALYSIS

The present study focuses on two dimensions of the SERVQUAL framework— Reliability and Empathy—to evaluate service quality in SBI and HDFC Bank. Responses were collected from customers of both banks on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).

The results have been analysed using descriptive statistics (frequencies and percentages, means and standard deviation) and inferential analysis (Independent Samples t-test) to test the stated hypotheses.

Reliability (Ability to Perform Promised Service Accurately)

Reliability measures the consistency and dependability of the bank's service delivery across various touchpoints. It assesses whether the bank fulfils its service commitments on time, efficiently resolves customer issues, ensures error-free transactions, and maintains updated records in both physical and digital systems. Customers' trust is reinforced when the bank consistently performs its services as promised and maintains accurate account information.



Table No. 1.1: Responses of the Respondents on Reliability Aspects of SBI and HDFC Bank

SBI (State Bank of India)		SD (1)	D (2)	N (3)	A (4)	SA (5)	Total
1. The bank provides services accurately and within promised timeframes.	f	9	12	12	211	156	400
	%	2	3	3	53	39	100
2. It resolves customer complaints and service issues efficiently.	f	25	30	10	217	118	400
	%	6	8	3	54	30	100
3. The bank ensures error-free processing of transactions and service requests.	f	12	9	10	243	126	400
	%	3	2	3	61	32	100
4. The bank maintains accurate and up-to-date customer records.	f	3	18	10	212	157	400
	%	1	5	3	53	39	100
5. The bank consistently delivers services as expected without repeated follow-ups.	f	18	16	14	186	166	400
	%	5	4	4	47	42	100
HDFC (HDFC Bank)		SD (1)	D (2)	N (3)	A (4)	SA (5)	Total
1. The bank provides services accurately and within promised timeframes.	f	18	28	12	209	133	400
	%	5	7	3	52	33	100
2. It resolves customer complaints and service issues efficiently.	f	11	15	12	228	134	400
	%	3	4	3	57	34	100
3. The bank ensures error-free processing of transactions.	f	9	11	11	216	153	400
	%	2	3	3	54	38	100
4. It maintains accurate and up-to-date customer records.	f	6	10	12	231	141	400
	%	2	3	3	58	35	100
5. The bank consistently delivers services as expected without repeated follow-ups.	f	1	33	16	203	147	400
	%	0	8	4	51	37	100

Source: Field Survey.

Table No. 1.2: Weighted Responses of the Respondents on Reliability Aspects of SBI and HDFC Bank

SBI (State Bank of India)		SD (1)	D (2)	N (3)	A (4)	SA (5)	Total
1. The bank provides services accurately and within promised timeframes.	f	9	24	36	844	780	1693
	%	1	1	2	50	46	100
2. It resolves customer complaints and service issues efficiently.	f	25	60	30	868	590	1573
	%	2	4	2	55	38	100
3. The bank ensures error-free processing of transactions and service requests.	f	12	18	30	972	630	1662
	%	1	1	2	58	38	100
4. It maintains accurate and up-to-date customer records.	f	3	36	30	848	785	1702
	%	0	2	2	50	46	100
5. The bank consistently delivers services as expected without repeated follow-ups.	f	18	32	42	744	830	1666
	%	1	2	3	45	50	100
HDFC (HDFC Bank)		SD (1)	D (2)	N (3)	A (4)	SA (5)	Total
1. The bank provides services accurately and within promised timeframes.	f	18	56	36	836	665	1611
	%	1	3	2	52	41	100



2. It resolves customer complaints and service issues efficiently.	f	11	30	36	912	670	1659
	%	1	2	2	55	40	100
3. The bank ensures error-free processing of transactions.	f	9	22	33	864	765	1693
	%	1	1	2	51	45	100
4. The bank maintains accurate and up-to-date customer records.	f	6	20	36	924	705	1691
	%	0	1	2	55	42	100
5. The bank consistently delivers services as expected without repeated follow-ups.	f	1	66	48	812	735	1662
	%	0	4	3	49	44	100

Source: Field Survey.

Empathy (Caring and Providing Personalised Attention)

Empathy evaluates the degree of individualised care and personalised service provided by the bank to its customers. It considers the attention given to each customer, understanding of their specific financial needs, flexibility in operating hours, and efforts made to offer customised solutions, especially during critical life events or financial hardships. High empathy signifies a deeper emotional connection, greater customer sensitivity, and a genuine commitment to long-term customer well-being and satisfaction.

Table No. 1.3: Responses of the Respondents on Empathy Aspects of SBI and HDFC Bank

SBI (State Bank of India)		SD (1)	D (2)	N (3)	A (4)	SA (5)	Total
1. The bank gives individual attention to each customer's specific situation.	f	29	23	20	193	135	400
	%	7	6	5	48	34	100
2. Employees understand and respect the unique needs of different customer segments.	f	23	33	11	178	155	400
	%	6	8	3	45	39	100
3. The bank makes an effort to offer services that suit customers' financial goals.	f	12	22	11	213	142	400
	%	3	6	3	53	36	100
4. Operating hours and customer service options are convenient and inclusive.	f	31	22	18	151	178	400
	%	8	6	5	38	45	100
5. The bank offers personalised financial advice or solutions when requested.	f	21	27	12	178	162	400
	%	5	7	3	45	41	100
HDFC (HDFC Bank)		SD (1)	D (2)	N (3)	A (4)	SA (5)	Total
1. The bank gives individual attention to each customer's specific situation.	f	14	23	16	197	150	400
	%	4	6	4	49	38	100
2. Employees understand and respect the unique needs of different customer segments.	f	8	15	16	187	174	400
	%	2	4	4	47	44	100
3. The bank makes an effort to offer services that suit customers' financial goals.	f	14	25	17	201	143	400
	%	4	6	4	50	36	100
4. Operating hours and customer service options are convenient and inclusive.	f	13	14	16	191	166	400
	%	3	4	4	48	42	100
5. The bank offers personalised financial advice or solutions when requested.	f	16	29	18	184	153	400
	%	4	7	5	46	38	100

Source: Field Survey.



Table No. 1.4: Weighted Responses of the Respondents on Empathy Aspects of SBI and HDFC Bank

SBI (State Bank of India)		SD (1)	D(2)	N (3)	A (4)	SA (5)	Total
1. The bank gives individual attention to each customer's specific situation.	<i>f</i>	29	46	60	772	675	1582
	%	2	3	4	49	43	100
2. Employees understand and respect the unique needs of different customer segments.	<i>f</i>	23	66	33	712	775	1609
	%	1	4	2	44	48	100
3. The bank makes an effort to offer services that suit customers' financial goals.	<i>f</i>	12	44	33	852	710	1651
	%	1	3	2	52	43	100
4. Operating hours and customer service options are convenient and inclusive.	<i>f</i>	31	44	54	604	890	1623
	%	2	3	3	37	55	100
5. The bank offers personalised financial advice or solutions when requested.	<i>f</i>	21	54	36	712	810	1633
	%	1	3	2	44	50	100
HDFC (HDFC Bank)		SD (1)	D(2)	N (3)	A (4)	SA (5)	Total
1. The bank gives individual attention to each customer's specific situation.	<i>f</i>	14	46	48	788	750	1646
	%	1	3	3	48	46	100
2. Employees understand and respect the unique needs of different customer segments.	<i>f</i>	8	30	48	748	870	1704
	%	0	2	3	44	51	100
3. The bank makes an effort to offer services that suit customers' financial goals.	<i>f</i>	14	50	51	804	715	1634
	%	1	3	3	49	44	100
4. Operating hours and customer service options are convenient and inclusive.	<i>f</i>	13	28	48	764	830	1683
	%	1	2	3	45	49	100
5. The bank offers personalised financial advice or solutions when requested.	<i>f</i>	16	58	54	736	765	1629
	%	1	4	3	45	47	100

Source: Field Survey.

VII. RELIABILITY ANALYSIS

Reliability testing was carried out using Cronbach's Alpha (α) to examine the internal consistency of the SERVQUAL items employed in this study. For the two selected dimensions, the results indicate very high reliability across both banks. As shown in Table No. 1.5, the Reliability scale reported $\alpha = 0.975$ for SBI and $\alpha = 0.981$ for HDFC Bank, while the Empathy scale yielded $\alpha = 0.988$ for SBI and $\alpha = 0.989$ for HDFC Bank. All values exceed the recommended threshold of 0.70 (Nunnally & Bernstein, 1994), confirming excellent internal consistency of the measurement instrument. The near-identical coefficients across the two banks also suggest stability and dependability of the responses.

Table No. 1.5: Bank-wise and Qualitative Dimension-wise Reliability Analysis

Dimensions	SBI (α)	HDFC Bank (α)
Reliability	0.975	0.981
Empathy	0.988	0.989

Source: SPSS

Thus, the scales used for Reliability and Empathy can be considered statistically reliable, ensuring that further analysis based on these dimensions is both valid and credible.



VIII. DESCRIPTIVE ANALYSIS

Descriptive analysis was undertaken to summarise customer responses regarding the two selected SERVQUAL dimensions, namely Reliability and Empathy. This stage of analysis highlights how respondents perceive the ability of banks to perform services accurately and dependably, and to deliver on promises made to customers (Reliability), as well as the degree of personalised attention and care provided by bank employees (Empathy) (Parasuraman, Zeithaml, & Berry, 1988).

Frequencies, percentages, and mean scores were computed to present customer opinions in a structured manner. This provides an overview of patterns and trends in service quality perceptions across SBI and HDFC Bank, forming the basis for subsequent hypothesis testing (Trochim, 2020).

Table No. 1.6 Descriptive Analysis - SBI

Dimension	Mean	S.D.
1. Reliability (Ability to Perform Promised Service Accurately)		
1. The bank provides services accurately and within promised timeframes.	4.23	0.83
2. It resolves customer complaints and service issues efficiently.	3.93	1.09
3. The bank ensures error-free processing of transactions and service requests.	4.16	0.82
4. The bank maintains accurate and up-to-date customer records.	4.26	0.77
5. The bank consistently delivers services as expected without repeated follow-ups.	4.17	0.99
2. Empathy (Caring & Providing Personalised Attention)		
1. The bank gives individual attention to each customer's specific situation.	3.96	1.13
2. Employees understand & respect the unique needs of different customer segments	4.02	1.12
3. The bank makes an effort to offer services that suit customers' financial goals.	4.13	0.93
4. Operating hours and customer service options are convenient and inclusive.	4.06	1.18
5. The bank offers personalised financial advice or solutions when requested.	4.08	1.08

Source: Field Survey.

Table No. 1.7 Descriptive Analysis – HDFC Bank

Dimension	Mean	S.D.
1. Reliability (Ability to Perform Promised Service Accurately)		
1. The bank provides services accurately and within promised timeframes.	4.03	1.02
2. It resolves customer complaints and service issues efficiently.	4.15	0.86
3. The bank ensures error-free processing of transactions and service requests.	4.23	0.82
4. The bank maintains accurate and up-to-date customer records.	4.23	0.75
5. The bank consistently delivers services as expected without repeated follow-ups.	4.16	0.86
2. Empathy (Caring & Providing Personalised Attention)		
1. The bank gives individual attention to each customer's specific situation.	4.12	0.97
2. Employees understand & respect the unique needs of different customer segments	4.26	0.86
3. The bank makes an effort to offer services that suit customers' financial goals.	4.09	0.98
4. Operating hours and customer service options are convenient and inclusive.	4.21	0.92
5. The bank offers personalised financial advice or solutions when requested.	4.07	1.04

Source: Field Survey.

Reliability

Customer perceptions of reliability were generally favourable for both banks. For SBI, mean scores ranged from 3.93 to 4.26. The highest rating was given to maintaining accurate and up-to-date records (4.26), followed by service accuracy and timeliness (4.23). However, the resolution of customer complaints received a comparatively lower score (3.93),



indicating scope for improvement. For HDFC Bank, mean values were slightly more balanced, ranging from 4.03 to 4.23, with error-free transaction processing and record maintenance (both 4.23) emerging as key strengths. Standard deviations were narrower in HDFC, suggesting greater consistency in dependable service delivery.

Empathy

On empathy, SBI received mean scores between 3.96 and 4.13. Customers appreciated efforts to align services with financial goals (4.13) and personalised advice (4.08), though individual attention (3.96) was rated relatively lower. HDFC Bank recorded higher averages overall, with scores between 4.07 and 4.26. The highest was for understanding unique customer needs (4.26), followed by inclusive operating hours and service options (4.21). Again, HDFC's lower standard deviations reflected more consistent customer experiences compared to SBI.

Table No. 1.8: Comparative Descriptive Statistics – SBI vs HDFC

Dimension	SBI (Mean)	SBI (SD)	HDFC (Mean)	HDFC (SD)
Reliability	4.15	0.90	4.16	0.86
Empathy	4.05	1.09	4.15	0.95

Source: Field Survey.

Comparative Conclusion

The descriptive analysis indicates that both SBI and HDFC Bank are perceived positively in terms of reliability and empathy. However, HDFC consistently achieves marginally higher mean scores and lower standard deviations, pointing to more uniform service experiences. SBI demonstrates strength in accurate record maintenance and trustworthy operations, but its relatively lower ratings in complaint resolution and personalised attention highlight areas for improvement.

IX. HYPOTHESIS TESTING

Hypothesis 1: Reliability

H_{01} (Null Hypothesis):

There is no significant difference between SBI and HDFC Bank in customer perceptions regarding reliability.

H_{11} (Alternative Hypothesis):

There is a significant difference between SBI and HDFC Bank in customer perceptions regarding reliability.

Methodology and Dimensions considered:

To evaluate this hypothesis, five service reliability dimensions were selected. These include timeliness, complaint resolution, accuracy in processing, record maintenance, and consistency of delivery. For each dimension, mean scores and standard deviations were recorded for SBI and HDFC. Independent Samples t-tests were conducted ($n = 400$ per bank) to assess the significance of differences, using a 5% significance level ($p < 0.05$).

Results of Hypothesis Testing

Table No. 1.9 Hypothesis Testing – I

Dimension	SBI Mean	HDFC Mean	t-Statistic	p-Value	Significant?	Better Bank
Accurate services within promised timeframes	4.23	4.03	3.042	0.0024	Yes	SBI
Efficient resolution of complaints	3.93	4.15	-3.169	0.0016	Yes	HDFC
Error-free processing of transactions	4.16	4.23	-1.207	0.2277	No	HDFC



Accurate and updated customer records	4.26	4.23	0.558	0.5769	No	SBI
Consistent service delivery without follow-ups	4.17	4.16	0.153	0.8788	No	SBI

Source: SPSS

Interpretation:

Among the five reliability-related service dimensions:

- Two showed statistically significant differences: SBI was rated significantly better for delivering services within promised timeframes, while HDFC was rated significantly better in resolving customer complaints efficiently.
- The remaining three dimensions showed no statistically significant difference, though HDFC slightly outscored SBI in error-free processing.

Conclusion:

The null hypothesis (H_{01}) is partially rejected. Both banks demonstrate strengths in different reliability aspects. While SBI leads in delivering services on time, HDFC is perceived to handle service complaints more effectively. The other dimensions indicate similar performance levels. Overall, this points to complementary strengths rather than dominance by a single bank in the reliability dimension.

Hypothesis 2: Empathy

H_{01} (Null Hypothesis):

There is no significant difference between SBI and HDFC Bank in customer perceptions regarding empathy.

H_{11} (Alternative Hypothesis):

There is a significant difference between SBI and HDFC Bank in customer perceptions regarding empathy.

Methodology and Dimensions Considered:

The empathy dimension was assessed using five indicators: individual attention, understanding diverse customer needs, tailored financial services, service convenience, and personalised advice. Mean scores and standard deviations for each item were evaluated for SBI and HDFC using Independent Samples t-tests ($n = 400$ per bank). A 5% significance level was used to determine statistical significance.

Results of Hypothesis Testing

Table No. 1.10 Hypothesis Testing – II

Dimension	SBI Mean	HDFC Mean	t-Statistic	p-Value	Significant?	Better Bank
Individual attention to the customer situation	3.96	4.12	-2.149	0.032	Yes	HDFC
Understand the unique needs of different segments	4.02	4.26	-3.399	0.0007	Yes	HDFC
Services aligned to customer financial goals	4.13	4.09	0.592	0.5539	No	SBI
Convenient & inclusive service options	4.06	4.21	-2.005	0.0453	Yes	HDFC
Personalised financial advice when requested	4.08	4.07	0.133	0.8939	No	SBI

Source: SPSS

Interpretation:

Out of five empathy-related dimensions, three showed statistically significant differences in favour of HDFC Bank. These include individual attention, understanding diverse customer needs, and inclusive service availability. The other



two dimensions— alignment of services with financial goals and personalised advice—did not reflect significant differences.

Conclusion:

The null hypothesis (H_{01}) is partially rejected. While both banks perform reasonably well in empathy, HDFC Bank shows significantly higher customer appreciation in three critical areas of personalised and inclusive service delivery, indicating a stronger emotional and attentive engagement with its clientele.

X. SUMMARY OF HYPOTHESIS TESTING

The comparative assessment of service quality perceptions between State Bank of India (SBI) and HDFC Bank was conducted through two hypotheses aligned with the SERVQUAL dimensions of Reliability and Empathy. Independent Samples t-tests were applied to the survey data, and the results were interpreted at the 5% level of significance.

Hypothesis 1: Reliability

Null Hypothesis (H_{01}): There is no significant difference between SBI and HDFC Bank in customer perceptions regarding reliability.

Conclusion: The null hypothesis is partially rejected. SBI performed significantly better in the item related to timely service delivery, while HDFC Bank was rated significantly higher in complaint resolution. Other reliability-related items, such as record maintenance and error-free transactions, showed no statistically significant difference. This indicates that while both banks are perceived as dependable, their strengths vary— SBI in operational timeliness and HDFC in customer issue resolution.

Hypothesis 2: Empathy

Null Hypothesis (H_{02}): There is no significant difference between SBI and HDFC Bank in customer perceptions regarding empathy.

Conclusion: The null hypothesis is partially rejected. HDFC Bank scored significantly higher in three items—individual attention, understanding customer needs, and inclusive service options. SBI performed satisfactorily but without significant superiority on any empathy-related indicator. This suggests that HDFC demonstrates a more consistent ability to provide personalised and customer-sensitive service.

Overall Summary

Table No. 1.11: Overall Summary of Hypotheses Testing

Dimension	Inference	Key Indicators with Significant Difference	Dominant Bank
Reliability	The Null Hypothesis is partially rejected	Timely Service (SBI), Complaint Resolution (HDFC)	Mixed
Empathy	The Null Hypothesis is partially rejected	Individual Attention, Understanding Needs, Inclusive Options	HDFC

Interpretation

The hypothesis testing confirms that HDFC Bank holds a distinct advantage in customer perceptions of empathy, consistently delivering more personalised and attentive services. For reliability, both banks perform strongly, though with different areas of strength: SBI is better in service timeliness, while HDFC excels in grievance handling. Taken together, these results suggest that HDFC Bank is more customer-centric in its approach, whereas SBI's reliability is rooted in its traditional operational stability.

The comparative assessment of service quality perceptions between State Bank of India (SBI) and HDFC Bank was concentrated on two SERVQUAL dimensions, namely Reliability and Empathy. Based on customer feedback, five statement items under each of these dimensions were evaluated using Independent Sample t-tests, with results



interpreted at a 5% level of significance. This analysis provides insights into the banks' ability to deliver dependable and accurate services (Reliability) and the extent of personalised attention and care extended to customers (Empathy).

XI. CONCLUSION

The study set out to conduct a comparative assessment of State Bank of India (SBI) and HDFC Bank on two selected SERVQUAL dimensions: Reliability and Empathy. Findings from descriptive statistics and hypothesis testing confirm that both banks are generally perceived positively, though with distinct strengths. SBI demonstrated greater reliability in terms of maintaining accurate records and ensuring timely service delivery, reflecting its institutional stability and operational capacity. HDFC Bank, on the other hand, consistently outperformed SBI in empathy, offering superior individual attention, customer need recognition, and inclusive service options.

The Independent Samples t-test results further validated these findings, with SBI performing significantly better in timely service delivery, while HDFC showed superiority in complaint resolution and empathy-related attributes. Standard deviations were consistently lower for HDFC, suggesting more uniform customer experiences.

Overall, the study concludes that while SBI retains customer trust through its scale, reach, and dependable operations, HDFC Bank is better positioned in terms of customer-centricity, responsiveness, and personalised service delivery. For sustained competitiveness, SBI must strengthen its grievance redressal and personalised engagement strategies, whereas HDFC should continue leveraging its agility and customer focus to consolidate its position. The comparative evidence reinforces the growing importance of service quality as a differentiator in the Indian banking sector.

XII. SUGGESTIONS

For SBI:

- Improve grievance redressal systems for faster complaint resolution.
- Enhance personalised engagement through customer relationship officers.
- Train frontline staff in empathy and soft skills.
- Use digital tools to simulate personalised service at scale.

For HDFC Bank:

- Maintain empathy as a key differentiator through personalised advisory.
- Reduce turnaround times in core service delivery to strengthen reliability.
- Scale grievance redressal mechanisms with technology-driven solutions.
- Expand digital personalisation to deepen customer connection.

For Both Banks:

- Balance operational efficiency with customer sensitivity.
- Establish real-time feedback loops across service channels.
- Invest in continuous staff training for reliability and empathy.

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