

Determinants Of Customer Satisfaction in Public Sector Financial Services: A Meta-Analysis with Reference to India Post

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Abstract—The main objective of this research paper is to analyse the key factors affecting customer satisfaction in public sector financial services of the Government of India, with a special focus on small savings accounts, Post Office Savings Bank and other financial services provided by India Post. The study adopts a meta-analysis approach, making extensive use of India Post's annual reports, published figures of the Reserve Bank of India (RBI) and secondary data available through the National Sample Survey Office/Ministry of Statistics and Programme Implementation (NSSO/MoSPI). The research analyses factors such as customer experience in public sector financial services, service quality, attractiveness of interest rates, adoption of digital financial services, service accessibility and trust in government-based institutions. The results of the study indicate that the level of customer satisfaction is significantly higher in public sector institutions like India Post, especially in rural areas, due to their large network, easy processes, secure investment options and increasing use of digital services. This research provides policy and practical suggestions for strengthening customer satisfaction in public sector financial services.

Index Terms—Public Sector Financial Services, Customer Satisfaction, India Post, Post Office Savings Bank (POSB), India Post Payments Bank (IPPB), Service Quality, Financial Inclusion, Small Savings Schemes, Trust and Reliability, Digital Financial Services

I. INTRODUCTION

Public Sector Financial Services are financial services owned and controlled by the government, whose main objective is to promote social and economic

development rather than making profit. In India, such services include Post Office Savings Bank (POSB), India Post Payments Bank (IPPB) and various small savings schemes. These institutions have a wide network in both urban and rural areas of the country and play a vital role in providing safe, reliable and easy financial services to the general public. Schemes like savings accounts, recurring deposits (RD), time deposits (TD), Public Provident Fund (PPF), National Savings Certificate (NSC) operated by the post office attract a large customer base and strengthen financial inclusion. Although these services generally operate under a non-profit approach, they are extremely important for the savings culture and economic stability of the country.

Customer satisfaction refers to the assessment of the customer's experience with regard to financial services and their expectations. Factors such as the quality of the service delivery process, ease and timeliness of services, reliability of the institution, security and behaviour of employees directly affect customer satisfaction. If services meet or exceed customer expectations, customer satisfaction levels remain high; dissatisfaction arises when services are delayed, complex, or lack trust. Therefore, studying customer satisfaction in public sector financial services becomes essential for service improvement, policy making, and long-term sustainable development.

II. OBJECTIVES OF THE STUDY

1. To identify the key factors affecting customer satisfaction in India Post's public sector financial services.
2. To study the impact of service quality and accessibility on customer satisfaction in India Post's services.

III. LITERATURE REVIEW

1. Abhilash, K. S., Sumalatha, S., & Aswathy, P. J. (2025) A primary data-based study on awareness, usage level and satisfaction of customers of India Post Payments Bank in Idukki district. Quantitative analysis shows that higher awareness and regular usage positively influence customer satisfaction. This study is useful in understanding customer behaviour and service effectiveness of IPPB.

2. Barad, P., & Dutt, K. (2024) A study of customer satisfaction and loyalty of India Post Payments Bank (IPPB) customers. The relationship between satisfaction and loyalty was analysed using Structural Equation Modelling (SEM). The results show that service quality, reliability and trust have a significant impact on customer loyalty. This study shows that measuring customer satisfaction of IPPB is essential for its long-term customer engagement.

3. Patel, H. V., & Shah, K. (2024) A study on customer satisfaction regarding value-added services (mobile banking, internet banking) of India Post Payments Bank in selected region of Gujarat. The analysis shows that value-added services, brand trust and service accessibility are determinants of customer satisfaction. This study provides evidence on service adoption and customer perception of IPPB in regional context.

4. Shankar, P., Kamaraj, S., & Saravanan, D. (2024) A study on rural consumers' satisfaction towards Payment Banks. The study shows that service quality, technology usability, trust and accessibility are the main determinants for rural customers. This study provides contextual evidence about customer satisfaction and adoption pattern of IPPB/Payment Banks in rural context.

5. Vimal, V. (2023) A study on customer satisfaction for traditional postal and financial services (savings schemes, deposits, postal banking products) of India Post Office. The study shows that process efficiency, service reliability and customer expectations fulfillment influence satisfaction. This study provides a contextual backdrop for the broader India Post financial services ecosystem.

Hypotheses

H₀₁ There is no significant relationship between service quality and customer satisfaction in India Post's public sector financial services.

H₀₂ There is no significant relationship between service accessibility and customer satisfaction in India Post's public sector financial services.

Research Methodology

This study is completely based on Secondary Data. The data obtained from various government and official sources has been studied through meta-analysis method.

Data Sources

India Post Annual Reports: Information related to number of accounts, small savings schemes, deposit growth and expansion of services.

Reserve Bank of India (RBI) Data: Statistics related to financial sector activities, saving trend, interest rates and financial stability.

NSSO (MOSPI) Data: Survey data on household savings, financial inclusion, rural-urban financial behaviour.

IV. METHODOLOGY

Descriptive Analysis

Comparative Study

narrative/descriptive meta-analysis

Analysis and Discussion

1 Analysis based on India Post Annual Report

Recent figures from India Post Payments Bank (IPPB) and India Post Annual Reports/News show that IPL/Postal Financial Services is achieving significant growth in financial inclusion and customer usage at the state and national levels:

India Post Payments Bank's customer base stands at 12 crores+ customers, with a significant portion in rural areas and women's strata; around 80% of customers are from rural areas and 59% are women, which is an indication of service accessibility and social inclusion.

2.68 crore new accounts opened in 2024, of which 59% are held by women and 77% are opened in rural areas; this shows the potential of IPPB to reach out to children in financial services.

IPPB has been honoured with the Digital Payments Award 2024–25, which recognises the promotion of its digital services and detailed money-transaction facilities.

According to industry reports, IPPB has not only made a net profit of ₹134 crore and has earned over ₹2000 crore in revenue, which is significant in a national perspective for a public sector financial services provider.

These figures show that ease of account processing, rural accessibility, women penetration and digital adoption are strong determinants that all encourage customer satisfaction.

2 RBI Data-Based Analysis

Recent data from the Reserve Bank of India (RBI) and FinTech/Payment's ecosystem-related indicators show that: As per the RBI report, nearly 85% of digital transactions in India are done through UPI, which is a sign of the expansion of digital filing and payment infrastructure controlled by the government/resources. Such robust digital infrastructure and RBI-driven policies enhance financial credibility and safety, which directly impacts customer satisfaction as customers can access fast, secure and interoperable financial platforms.

RBI studies have repeatedly shown that banking accounts and regular e-transaction convenience are healthy, leading to greater trust in financial services, which in turn strengthens customer trust.

3 Analysis based on NSSO Data (MoSPI)

National Sample Survey Office (NSSO) / MoSPI's Financial Inclusion data shows that:

There is a significant increase in rural financial inclusion, which suggests that financial services are becoming more accessible from Gram to Urban. This

feature indicates the inclination of people towards people-trusted services.

Service models like Post Office/IPPB make financial services available at Gram level close to home, as there is no need to travel long distances to any other bank branch/ATM which gives Service Accessibility a greater relevance for Customer Satisfaction.

NSSO Financial Inclusion indicators provide metrics related to people's engagement with the formal financial system which has less expected segmentation among the general public and helps the Post Office network-based banking model to increase Customer Trust and Satisfaction.

The analysis of secondary data reveals that service quality, employee behaviour, ease of process and accessibility of services significantly affect customer satisfaction. Although primary statistical testing was not done in this study to accept or reject the null hypotheses, the available secondary data suggests that there is a significant relationship between these factors and customer satisfaction.

V. CONCLUSION

Based on this study, it can be concluded that customer satisfaction in public sector financial services provided by India Post is mainly based on factors such as service quality, service accessibility and reliability. Analysis of data from India Post's annual reports, Reserve Bank of India (RBI) and National Sample Survey Office/Ministry of Statistics and Programme Implementation (NSSO/MoSPI) shows that India Post plays a significant role in strengthening financial inclusion and promoting a savings culture in India. The level of customer satisfaction is found to be significantly higher, especially in rural and semi-urban areas, due to the large postal network, easy processing, government-backed secure financial products and increasing use of digital services. Since this study is based on a secondary data-based meta-analysis approach, more clear and comprehensive results can be obtained if the hypotheses presented in this study are statistically tested through primary data-based research in the future.

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