



AWARENESS LEVEL OF THE BANKING HABITS OF RURAL PEOPLE IN GOBICHETTIPALAYAM TALUK

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ABSTRACT

The term banking embraces all the activities of a bank which engages in any of the following functions such as receiving investing lending exchanging serving of money and claims in other domestic and international transaction. The tendency to act in a certain way or manner customary relating to banking transaction is referred to as banking habits relative to this definition one easily understand that what is being referred to as transaction or informal banking institution because they perform the function of modern banking institution though in an unrefined form. A rural community is a conglomeration or amalgamation of serve villages in this country majority of our people live in the rural communities.

KEYWORDS : Observation study, Banking habits, Banking service

INTRODUCTION

Awareness means the knowledge about a particular thing. Now-a-days, banking is extremely important in the world's economy. The banking functions are the routine functions of one's life. The emergence of private sector banks has changed the whole scenario of the banking functions in the recent years. Bank awareness amongst customers may differ from one to other on account of their age, groups, gender, education, occupation, type of family, income of the family, etc. Based on this background an attempt has been made in this chapter to examine the customer awareness of various banking services in Gobichettipalayam Taluk. For which a sample of 100 respondents were selected by using convenience sampling technique. Data was collected by using interview scheduled method.

STATEMENT OF THE PROBLEM

Problem related to customer services and customer satisfactions have been given high priority by even the higher level of policy planners and this is one of the most favorable topics of discussions in the board room. With the increasing level of customer expectations, it is essential that to be more specific both the public and private sector commercial banks innovate strategies and promotes technology-driven, user friendly services to increase the market share as well as image building. This makes a strong advocacy in favour of bank marketing since its application in a right fashion would answer to a number of unsolved questions. The customer is being offered services in his drawing room. In order to succeed and stay successful, marketers need continually to capitalize on the changes in the market. They must cope with the speed of change. One of the handy tools which helped in creating a quality service in private and foreign banks was use of Information Technology through heavy computerization and use of intranet and internet network for providing such services like money transfer in seconds which used to take weeks in public sector banks. The differentiators were – drastically different banking environment, responsive employees, quality of service delivered etc. The RBI regulates the banking service industry. The customers in addition to the public sector banks increasingly prefer private sector service providers.

REVIEW OF LITERATURE

Autharani S and Vijalakshmi K (2014) made a study on "Interest rates offered by banks". The banks often invest in gold to hedge against inflation. Their other policies on interest offered on savings will also affect the gold price. The higher interest rates offered on savings by banks will drive the customers to invest more in currency. If the interest rates on savings are low, customers invest in gold and gold purchase increases.

Ramachandran B(2014)made a study titled "Technology & the Future of Indian Banking". It is revealed that the banking in India today seems to fit the draw in a theory of survival of the fittest. This may sound trite, but it is the absolute truth that banks cannot survive without technology. Without technology, they stand to lose customers, business and even viability. One important issue we would like to highlight here is the need for top management to appropriate the significance of technology.

Hurshman Sharma (2015) the National trust of welfare of persons with autism, cerebral palsy, mental retardation and multiple disabilities act, 1999 empowers local level committee to appoint a guardian, to a person with disabilities, who shall have the care of the person and property of the disabled person.

OBJECTIVES OF THE STUDY

To find out how for the rural customers are aware of various services/schemes offered by the banks.

METHODOLOGY

This study is an empirical research based on the survey method. In Erode District, there are six taluks viz., Erode, Gobichettipalayam, Sathyamangalam, Bhavani, Anthiyur and Perundurai. Of them, Gobichettipalayam Taluk has been purposively selected. In Gobichettipalayam Taluk, Gobichettipalayam is a big town. Hence, this has been purposively selected. The study is based on primary data collected by interviewing the sample respondents personally. A detailed Interview Schedule embracing the objectives laid down was designed and canvassed to the sample respondents. The first hand information collected from the sample respondents with the help of an interview schedule prepared and pre-tested for its suitability through a pilot study.

SAMPLING DESIGN

On the basis of information provided by Gobichettipalayam branch of banks, it is found that there are more than 1,500 customers with various types of account. Of them, by using convenient sampling method 120 sample respondents selected. Due to incompleteness and contradictory information, it is possible to have only 100 sample respondents as final sample size. The sample chosen consists of 100 respondents representing from Gobichettipalayam Taluk.

LIMITATIONS OF THE STUDY

Even though an elaborated analysis is made in the study, the study is not free from limitations. The following are the limitations:

1. This study is restricted only to Gobichettipalayam Branch. Hence, the results may not be applicable to other areas.

2. Time was a limiting factor for the study.
3. The study is related to the period from July 2015 to December 2015 only. Therefore the findings may not be useful in the future period.
4. The study is based on some statistical tools like Chi-square and Percentage. These statistical tools have their own limitations.

ANALYSIS AND INTERPRETATION OF DATA

Age And Awareness Level

Age is one of the important factors to determine the level of awareness. All the group of people use banking services. According to the age group of the respondents, level of awareness may vary from respondents to respondent. In general, it is believed that there is no association between age and the level of awareness. The age of the sample respondents are divided into three categories viz., (a) up to 30 years (young) (b) between 30-50 years (middle) and (c) Above 50 years (old). Table 1 reveals that distribution of sample respondents on the basis of their awareness level.

Table 1 Distribution Of Sample Respondents According To Their Age And Awareness Level

Age	Awareness Level		Total
	High	Low	
Young	35(57.38)	26(42.62)	61(100)
Middle	21(72.41)	8(27.59)	29(100)
Old	6(60)	4(40)	10(100)
Total	62(62)	38(38)	100(100)

Figures in the parentheses are percentage, D.f:2, $\chi^2 = 1.9053$

Table 1 shows that the awareness level of 42.62% of the sample respondents belonging to the age group of Up to 30, 27.59% of the sample respondents belonging to the age group of between 30 and 50 and 40% of the sample respondents belonging to the age of above 50 years are having low level of awareness about the banking services. It is proposed to that the null hypothesis that there is no significant relationship between age and their level of awareness. In this regard, chi-square test has been applied. The calculated value of χ^2 (1.9053) is less than the table value (4.303) at 5 percent level of significance. Therefore, the hypothesis is accepted. It is concluded that the level of awareness is not associated with the age group of the customers.

Gender And Level Of Awareness

Gender is one of the socio-economic characteristics in our study. Both male and female members use banking services for their purposes. Table 2 reveals that distribution of sample respondents on the basis of their awareness level.

Table 2 Distribution Of Sample Respondents According To Their Gender

Gender	Awareness Level		Total
	High	Low	
Male	35(64.81)	19(35.19)	54(100)
Female	27(58.70)	19(41.30)	46(100)
Total	62(62)	38(38)	100(100)

Figures in the parentheses are percentage, D.f:1, $\chi^2 = 0.3948$

Table 2 reveals that the awareness level of 35.19% of the sample respondents belonging to the male group and 41.30% of the sample respondents belonging to the female group are having Low level of awareness about the banking services. It is proposed to that the null hypothesis that there is no significant relationship between gender and their level of awareness. In this regard, chi-square test has been applied. The calculated value of χ^2 (0.3948) is less than the table value (3.841) at 5 percent level of significance. Therefore, the hypothesis is accepted. It is concluded that the level of

awareness is not associated with the gender of the customers.

CONCLUSION

Now-a-days banking is extremely important to the world economy. The banking functions are the routine functions of one's like. The emergence of banking habits has changed the whole scenario of the banking functions in the recent years. The use of e-banking services is still not up to the mark as expected by the banks. This requires awareness among the customers about benefits of the services. The customers should be educated about the benefits of these services. This would help the bank in a long run.

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