Customers' Satisfaction Towards Automated Teller Machine

Dr. R. Renuka	Mr. A. Paulraj
Asst. Prof. Department of Commerce and Mgmt. Studiesm SASTRA University, SRC Kumbakonam. Tamilnadu-612001, India	M.Com, SASTRA University, SRC Kumbakonam. Tamilnadu, India

ABSTRACT *Now a day's banking reforms made customers to access their services more conveniently. Among the services offered by the banks, ATM services play key role to minimize customers 'time and energy. The study focus on the customer satisfaction towards ATM services offered by the banks and tries to suggest some ways out to improve their level of services to keep the force on.*

INTRODUCTION

The influence of technology over banking sector is enormous; the trend in banking has evolved from cash economy to cheque economy which has further been converted to plastic card economy. ATMs play an important role in banking business. It is one of the most popular delivery channels as it permits customers to do Anywhere, Anytime banking. Generally, both the banks and customers get benefit from ATMs in several ways. This study may prove to be important for the Bank management to consider therecommendations with due care for being in competitive position for better customer service.

CUSTOMER SATISFACTION

Customer satisfaction is buzz word used by the business people for the success of the organization in the present days. Due to increase of heavy competition in every product line it become difficult for the longer time. So retain the Customer for the longer time the marketer has to do only one thing. i.e. customer satisfaction.

PROFILE OF ATM

ATM is an abbreviation of "Automated Teller Machine" it's a machine used by the banks all over the world. This machine allows the account holder to have transactions with their own accounts without allowing them to access the entire bank's database. You can use the ATM of a bank in which you do not have an account by paying some charges.

SERVICES OFFERED BY BANKS THROUGH ATM

The following services are provided by bank through ATM.

- Cash Withdrawal and Balance Enquiry
- Cash/ Cheque Deposit
- Bill Payments
- Money Transfer
- Mobil Recharge

REVIEW OF LITERATURE

1. Mr. Ramraj T. Nadar(2012)Assistant Professor, Guru Nanak College, Mumbai, India. "Customers' Satisfaction towards ATM Service– A Study of Bank Customers in Navi- Mumbai. Published in International Journal of Physical and Social Sciences Volume 2, Issue 7 July2012. This study helps to understand the services provided by the banks and also to know the strength and weakness of the ATM services provided by the banks. The study is to have an insight in which the customer's satisfaction with the ATM services and also to identify the customer's opinions / expectations with regards to the same.
2. Dr. K.Shobha, (2012) Associate Professor In Economics

Government Arts College, Coimbatore. "CUSTOMERS SATISFACTION LEVELS OF ATM CARDHOLDERS" Published by A Journal of Radix International Educational and Research Consortium, Volume 1, Issue 9 ISSN: 2250 – 3994.This study aims at investigating the satisfaction levels of ATM cardholders with respect to various aspects of the service quality of ATM and their opinions on various other related issues such as the inconvenient features while using ATM. This study uses purposive sampling technique where samples have been selected on the basis of certain criteria. This study provides information regarding the satisfaction level and problems faced while using ATM cards.

3. Vijay KumbharAbasaheb,(2011)Marathe College, Rajapur, Maharashtra, India. "Factors affecting on customers' satisfaction an empirical investigation of ATM service" International Journal of Business Economic and Management Research Internationally Indexed & Listed Referred e-Journal IJBEMR Volume 2, Issue 3 (March, 2011) ISSN 2229-4848. This study focus on identifying key factors that have influences customers satisfaction in ATM service provided by public and private sector banks. For the purpose of the study primary data were collected using schedule and collected data from March to November 2010. Results of factor analysis, correlation and regression analysis show that a cost effectiveness, easy to use and security and responsiveness in ATM service were most important factors in customer satisfaction.

STATEMENT OF THE PROBLEM

Now a day's most of the people were always busy. So, they have no time to spend to do branch banking. Due to this, the use of ATM is increasing day-by-day. So researcher feels it is important to study the Customer satisfaction towards the use of ATM services. Through this researcher can find the problems which are faced by customers while using ATM services and also he can provide some suggestion to improve ATM services. So, researcher decides to do this study in Kumbakonam town.

OBJECTIVES OF THE STUDY

1. To study the services offered by banks through ATMs.
2. To study the problems faced by customers while using ATM services.
3. To measure the level of satisfaction of the ATM card holders.

HYPOTHESIS OF THE STUDY

1. There is no significance difference between monthly income of respondent and frequency of using ATM services.

2. There is no significant difference between the occupation of customer and frequency of using ATM services.

TOOLS USED FOR DATA ANALYSES:
Statistical tools like Chi-Square, percentage analysis, Likert scaling technique are the tools used to analyze the data.

PERIOD OF STUDY:
The period of this study covers one year from 2013 to 2014.

Table 1 DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

	Particulars	Frequency	percentage
AGE	Below 20 years 21-30 years 31-40 years 41-50 years Above 50 years	11 87 17 28 7	7 58 11 19 5
GENDER	Male Female	94 56	63 37
OCCUPATION	Employee Professional Agriculture Self-employed	57 14 21 58	38 9 14 39
EDUCATIONAL QUALIFICATION	School level Under Graduate Post graduate Others	16 57 73 4	11 38 48 3
MONTHLY INCOME	Below Rs.10,000 Rs.10,000 to Rs. 20,000 Rs.20,000 to Rs.30,000 Above Rs.30,000	46 59 28 17	31 39 19 11

Source: Primary Data

Table 1 highlights demographic characteristics of respondents 58% of the respondents age ranges between 21-30 years, 63% of the respondents were male, 39% of the respondents were self-employed, 48% of the respondents were post graduates, 39% of the respondents family income ranges between Rs. 10,000 to Rs. 20,000.

Table 2 OCCUPATION AND FREQUENCY OF USING ATM SERVICES

S.No.	OCCUPATION	FREQUENCY OF USE					TOTAL
		several times in week	once in a week	twice a month	once in a month	Occasionally	
1	Employee	26	12	11	5	3	57
2	Professional	2	1	8	2	1	14
3	Agriculture	0	3	3	7	8	21
4	Self Employed	10	16	17	10	5	58
	TOTAL	38	32	39	24	17	150

Source: Primary data

Table 2 shows that out of 150 respondents 58 respondents were self-employed; 57 respondents were employee; 21 respondents were agriculture; and 14 respondents were professional.

Null Hypothesis:
There is no significant relationship between the occupation of customer and frequency of using ATM services.

Chi-square table			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	48.787[a]	12	.000
Likelihood Ratio	46.872	12	.000
Linear-by-Linear Association	9.841	1	.002
N of Valid Cases	150		

a. 8 cells (40.0%) have expected count less than 5. The minimum expected count is 1.59.

Degrees of Freedom = 12
Chi-square value = 48.787
Table Value = 21.026
The distribution is significant at 5% level.

Result:
Thus the $\chi2$ value is greater than table value we reject the hypotheses. There is relationship between occupation of customer and frequency of using ATM services.

Table 3 MONTHLY INCOME AND FREQUENCY OF USING ATM SERVICES

S.No.	Monthly Income	FREQUENCY OF USE					TOTAL
		several times in week	once in a week	twice a month	once in a month	occasionally	
1	below Rs.10,000	7	11	8	14	6	46
2	Rs.10,000 to Rs.20,000	17	13	17	6	6	59
3	Rs.20,000 to Rs.30,000	12	4	9	2	1	28
4	Above Rs.30,000	2	4	5	2	4	17
	TOTAL	38	32	39	24	17	150

Source: Primary Data

Table 3 shows the monthly income of the respondents. Out of 150 respondents, 59 respondents were came under Rs.10,000 to Rs.20,000 category: and 46 respondents were earned income below Rs.10,000; 28 respondents were earned income between Rs.20,000 to Rs.30,000; and 17 respondents were earned income above Rs. 30,000.

Null Hypothesis:
There is no significant relationship between the monthly income and frequency of using ATM services.

Chi-Square Table

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.307[a]	12	.034
Likelihood Ratio	21.859	12	.039
Linear-by-Linear Association	1.005	1	.316
N of Valid Cases	150		

7 cells (35.0%) have expected count less than 5. The minimum expected count is 1.93

Degrees of Freedom = 12
Chi-square value = 22.307
The distribution is significant at 5% level.

Result:
Thus the calculated value is greater than table value of χ2. So the Null hypothesis is rejected. Therefore there is a relationship between monthly income of customer and frequency of using ATM services.

Table 4 LEVEL OF SATISFACTION

S.NO	Description	Highly Satisfied (5)	Satisfied (4)	Neutral (3)	Dissatisfied (2)	Highly Dissatisfied (1)	Total	LIKER VALUE	Rank
1	The promptness of card delivery	39(195)	76(304)	25(75)	6(12)	4(4)	150(590)	0.969	5
2	The quality of notes (currency)	47(235)	65(260)	26(78)	12(24)	0(0)	150(597)	0.980	3
3	The quality of receipt	35(175)	88(352)	20(60)	7(14)	0(0)	150(601)	0.987	2
4	Personnel willingly solved your problems	26(130)	54(216)	56(168)	14(28)	0(0)	150(542)	0.890	10
5	Availability of ATMs in required places	52(260)	60(240)	19(57)	18(36)	1(1)	150(360)	0.591	14
6	Safety-security-Privacy	43(215)	49(196)	44(132)	14(28)	0(0)	150(571)	0.938	7
7	Convenience to access	28(140)	83(332)	32(96)	7(14)	0(0)	150(582)	0.956	6
8	Availability of pay-in slip deposit envelop	25(125)	33(132)	75(225)	15(30)	2(2)	150(514)	0.844	12
9	Processing time	36(180)	61(244)	42(126)	1(2)	0(0)	150(552)	0.906	9
10	Maximum withdrawal limit	14(70)	71(284)	52(156)	9(18)	4(4)	150(532)	0.874	11
11	Instruction given to access ATM	45(225)	67(268)	28(84)	5(10)	5(5)	150(592)	0.972	4
12	Compliant book availability	13(65)	39(156)	70(210)	28(56)	0(0)	150(487)	0.780	13
13	24-Hours access	70(350)	43(172)	13(39)	24(48)	0(0)	150(609)	1	1
14	Availability of power & backup	44(220)	48(192)	41(123)	17(34)	0(0)	150(569)	0.934	8

Source: Primary Data

Table No.4 exhibits the level of satisfaction of the respondents towards ATM services. 24- Hours access got first rank. The quality of receipt got second rank; The quality of notes (currency) got third rank; Instruction given to access ATM got fourth rank; The promptness of card delivery got fifth rank; Convenience to access got sixth rank; Safety-security-Privacy got seventh rank; Availability of power & backup got eighth place.

FINDINGS

1. Most Of the respondents (58%) belong to the age group of 21 to 30 years.
2. Nearly 39% of the respondent's monthly income ranges between Rs.10,000 to Rs.20,000.
3. Majority of the respondents are using ATM services Twice a month.
4. Majority (98%) of the respondents were using Cash Withdrawal & Balance Enquiry facility in ATM.
5. 72 % of respondents were aware about the features of ATM.
6. Regarding the maximum Withdrawal limit of the ATM nearly 60% of the respondents are satisfied with this limitation.
7. Nearly 64% of respondents said machine breakdown is the major problem in ATM.
8. In likert scale 24-Hours access gotfirst rank .because majority of the respondents satisfied with the 24-Hours access.
9. 55% of the respondents said to improve the safety and security in ATM services.

SUGGESTIONS:

1. Banks should provide awareness about various facilities offered by ATM then only people can know about different feature of ATM.
2. The limit in with cash per day may be increased.
3. Transactions and withdrawals are made every now and then thus additional ATM's may be installed in order to minimize customer's transaction time.
4. Bank should frequently inspect the ATMs, it is helpful to avoid breakdown of ATM.
5. It also suggested that banks should provide security guards to improve the safety and security in ATM services.
6. Bank should establish more user friendly machines in order to reduce the Machine complexity.
7. Bank should establish ATMs in different location in order to meet customer needs.

CONCLUSIONS

The ATM facility has been extended to all accounts holders of all the banks. Though it is clear from this study that all the respondents are fully satisfied with the functioning of ATMs, Bank could retain its existing customers and attain new customers when the suggestion that have been offered in this study are seriously looked into.

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