



Customers Perception Towards Banking Services (A Study With Reference to Perungalathur Panchayat)

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ABSTRACT

Banking Industry in India has undergone radical changes due to the liberalization and globalization measures undertaken since 1991. During 1969 and 1980 banking companies were nationalized based on the thrust aim of supplementary banking i.e., rapid spreading out of banking activities. Whereas now the industry is operated on the concept of customer centric banking i.e. changed from "More Banking to Better Banking" in order to face the market challenges. Beforehand manual systems of banking were operated. After start adopting liberalization, banking industry went for technological improvement. As a result of this now industry is customer centric banking industry. Today, Indian Banking industry is one of the largest in world. There has been a great surge in efficient customer services. A highly satisfied and delighted customer is a very vital non-financial asset for the banks. Based on this background an attempt has been made to draw the answer for the question whether the banking industry is giving importance to the customers and customers are satisfied about the banking services etc

Keywords : Banking Industry, Globalization, Customer Satisfaction.

Introduction:

Banks are the most important type of financial institution in the nation in terms of aggregating assets. Banks are playing the crucial and vital role in the economic upliftment of the people. It is capable of cultivating banking habits services among the masses and facilitates easy monetary transactions between the buyer and seller.

In India, the ancient Hindu scriptures refer to the money-lending activities in the Vedic period. During the era of Ramayana and Mahabharata, the banking had become a full-fledged activity. During the smriti period which followed the Vedic period, the business of banking was largely carried on by the members of vaish community. The banker in this period performed many of the functions which a modern banker performs these days viz. accepting deposits, granting of advances, acting as banker to state and issuing and managing currency of the country².

In addition to receipt of deposits and lending money, the modern banker renders many services. It becomes necessary to attract the customers by providing a wide range of innovative services to customers. Adam Smith rightly observed, "The earliest banks of Italy where the name began were finance companies to make loans to and float loans for the Government of the cities in which they were formed ... After these banks had been long established, they began to do what we call as banking business, but at first they never thought of it"³.

During 1969 and 1980 banking companies were nationalized based on the thrust aim of more banking i.e., rapid expansion of banking activities. Whereas now the industry is operated on the concept of customer centric banking i.e. changed from "More Banking to Better Banking" in order to face the market challenges. Previously manual systems of banking were operated. After start adopting liberalization, banking industry went for technological advancement. As a result of this now industry is customer centric banking industry.

Based on this, an attempt has been made to draw the answer for the question whether the banking industry is giving importance to the customers and are they satisfied about the banking services etc.,

Statement of Problem:

Indian banking activities is customer centric one. After economic liberalization the industry have start realizing the customer satisfaction. Thus the question arises whether the customer's are really satisfied about banking services. Hence with a view to get answer for this question an attempt has been made to analyze the customer satisfaction in retail banking services.

Objectives:

1. To ascertain the perception and satisfaction level of customers.
2. To study and analyze the customer attitudes in the banks located in study areas.
3. To study and analyze the available services.

Methodology:

In order to do the analysis, responses are collected from 100 samples. Simple random samples technique is used.

Research Design:

Studies the survey of service quality in order to derive the level of customer satisfaction, responses are collected from the study area i.e. Perungalathur panchayat. The sample size is 100 were collected. The properly structured questionnaire is distributed to the 110 respondents. Since some of the respondents have not given the proper responses. Hence the sample size is made to 100.

Analysis and Interpretation:

Table No: 1 Distribution of Respondents according to Customer Services availed in the banks on age-wise

Services/Age	Below 30	31-40	41-50	Above 50	Total
Cash Deposit / withdrawal	8	11	5	14	38
Overdraft	1	-	3	-	4
Telebanking	3	1	-	1	5
ATM	10	12	6	4	32
Demand draft	2	1	1	1	5
Credit Card	-	10	4	2	16
Total	24	35	19	22	100

Source: Primary Data

This table exhibits the types of services availed by the respondents based on the age group. Among the respondents considered in the study area 35 respondents are belonging to the age group 31-40. Majority respondents are availing the services of deposit and withdrawals. And the ATM facility is availed by respondents lying in the age group of below 30. Hence it is confined that respondents belonging to the younger age group are availing modern facilities, whereas respondents in the age level of 41-50 and above 50 are using the facility of traditional activities.

Table No: 2 Distribution of Respondents according to Staff Behaviour

Opinion	No. of Respondent
Polite	42
Impersonal but helpful	51
Impersonal but not helpful	4
Rude	3
Total	100

Source: Primary Data

This table shows that maximum respondents are having the opinion of the bank employees are impersonal but helpful. Only less number of respondents says that employees are not helpful and rude.

Table No: 3 Distribution of Respondents according to Handling of Customer Complaints

Complaints Position	No. of Respondents
Importance is given	76
Importance is not given	24
Total	100

Source: Primary Data

The Majority of respondents i.e. 76 percentage of them are having the opinion of their complaints are entertained and importance is given for resolving the complaints and grievances. Only 24 respondent have opinioned that their complaints are not given with importance. Hence it is confined that majority of respondents are satisfied that their complaints are entertained by authorities.

Table No:4 Distribution of Respondents according to Satisfaction level of Banking Services

Responses	No. of Respondents
Highly Satisfied	37
Satisfied	47
No Opinion	10
Dissatisfied	5
Highly Dissatisfied	1
Total	100

Source: Primary Data

This table is framed to draw the answer for the question raised in the paper. The responses are collected regarding the satisfaction level of the customers. Among the respondents 37 are highly satisfied and 47 are satisfied with services offered by the banker. It is confined that majority of them are satisfied. 5 respondents are opinioned that they are dissatisfied and only one respondent is highly dissatisfied. On the whole majority of respondents are satisfied.

Table No:5 Distribution of Respondents according to Customer and their Possession of Different Account

Account Types	Respondents	Percentage
Current Account	32	32
Saving Account	63	63
Recurring Deposit	3	3

Fixed Deposit	2	2
Total	100	100

Source: Primary Data.

This table shows the possession of different types of banking accounts. It shows majority of customer are having saving account and lowest level in fixed deposit account. Saving Account takes the high priority among the customers in the study area.

Table No:6 Distribution of Respondents according to Position of the person visiting the bank

Purpose	Respondents	Percentage
Account Holder	87	87
Instead of Account Holder	13	13
Total	100	100

Source: Primary Data

According to this table majority of respondents visiting the banks are account holders i.e. more are interested to operate their own account.

Table No:7 Distribution of Respondents according to Holding of account with the bank and their satisfaction level

Service Ratings	Less than 1 year	1-5 years	5-10 years	Above 10	Total
Excellent	10	10	5	4	29
Good	18	26	5	8	57
Average	4	5	3	-	11
Poor	1	-	-	1	2
Very Poor	-	-	1	-	1
Total	33	41	14	13	100

Source: Primary Data

The level of satisfaction is closely associated with the period of possession of accounts. This table reveals that 41% of the respondents are having account for 1-5 years, of that most of them the feeling good. This exhibits new customers are satisfied and old customers have low level of satisfaction.

Table No: 8 Distribution of Respondents according to Gender and Accepting Urgent Transaction after Working Hours

Gender	Never Accept	Sometimes	Refuse/ Scold	Personally known	Recommendations	Total
Male	16	27	9	8	5	65
Female	8	15	8	1	53	35
Total	24	42	17	9	8	100

Source: Primary Data

This table depicts the result of handling of urgent transaction by the bank employees after working hours. Of this only some staff takes into consideration about the urgency of the transactions. For 24 respondents have faced their requests are not accepted after working hours.

Table No: 9 Distribution of Respondents according to Holding of Different types of Accounts and Income wise

Annual Income	Current Account	Savings Account	Recurring Deposit	Fixed Deposit	Total
Below Rs.50000	13	37	1	-	51
Rs.50001 to Rs.100000	8	16	2	1	27

Rs.100001 to Rs.150000	3	4	1	-	8
Above Rs.150001	9	5	-	-	14
Total	33	62	4	1	100

Source: Primary Data

This table highlights the income wise classifications of respondents holding their accounts. Of this 62 respondents are having saving accounts, maximum number of respondents is having income level of less than Rs.50000. In case of current account 33 respondents are in this group, while 13 are having less than Rs.50000 as their income. In general majority of respondents are having savings accounts and current account.

Table No: 10 Distribution of Respondents according to Holding of different types of Accounts and Occupation

Occupation\ Type of Account	Current Account	Savings Account	Recurring Deposit	Fixed Deposit	Total
Government	8	15	-	1	24
Private	12	22	2	-	36
Business	3	6	1	-	10
Professional	2	4	-	-	6
Housewife	4	8	-	-	12
Student	3	6	-	-	9
Retired	1	1	1	-	3
Total	33	62	4	1	100

Source:Primary Data

The above table exhibits the account of respondents with the pattern of occupation. Of this maximum respondents are having savings accounts and they are belonging to Government service. The next position is occupied by Current account holders, and in this also majority of the respondents are in private employment. On the whole this shows that, maximum respondents are having saving account and they are in private employment.

Findings of the study:

1. The majority of the customers (i.e. 57 no's) from the study area are feeling good.
2. The Majority of customers are in the private job.
3. The study exhibits that, more no of the customers are in the middle income group and they are having the bank account mainly for cash withdrawals and deposits.

Conclusion:

Banks are playing inevitable role in the economic development of the nation and also the people.

In the modern arena people cannot lead out life without availing the services of banks. It is observed from the above survey that, maximum levels of respondents are satisfied from the services offered by the banks. But at the same time majority of the respondents are lying in the group of private employment and they are having savings account and current account.

On the whole the paper is concluded that the satisfaction levels of the customers are good with respect to the banking services in the study area.

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