



A Study on Customer Attitude towards Banking Services in Oddanchatram Taluk

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ABSTRACT

Bank is a financial institution which collects deposits from the public and lends for investment purpose. Objectives of the studies are made to analyse the customer attitude and to find out the performance of the banks through customers response. In the collection of primary data, structured questionnaire with both open and closed question are used by the researcher for the purpose of data collection. Customer satisfaction recurrently used in marketing is an assessment of the products and services supplied by a company meet or outdo customer anticipation. Today all banking services are made online with the help of the satellite. Some of the suggestions for the improvement are listed.

Keywords: Finance, Satisfaction, Bank, Customer

1. Introduction

The term Bank originally referred to an individual organization, which acted as money changer exchanged one currency for another, but these days, a bank is an institution in which people keep their money balances in the structure of deposits. Prof Say's defines the bank and banking exclusively as an institution whose bank deposits are extensively accepted in payment of other peoples debts to each other. The word bank is said to have derived from the French word; 'banco' or 'banc' which means a 'bench'. Bank is a financial institution which collects deposits from the public and lends for investment purpose.'

Financial services are the fiscal services provided by the finance business, which includes a broad set of businesses that handle money, including credit unions, banks, credit-card companies, insurance corporations, accountancy concerns, consumer-finance companies, stockpile brokerages, venture accounts, individual managers and some government-sponsored enterprises [1]. The term "financial services" became more rampant in the United States partly as an outcome of the Gramm-Leach-Bliley Act of the late 1990s, which enabled different types of companies operating in the U.S. financial services industry at that time to amalgamate.

The current epoch of banking can be traced to medieval and early Renaissance Italy, to the affluent cities in the centre and north like Florence, Lucca, Siena, Venice and Genoa. The Bardi and Peruzzi families dominated banking in 14th-century Florence, establishing branches in many other parts of Europe[2]. Giovanni di Bicci de' Medici set up one of the most famous Italian banks, the Medici Bank, in 1397[3]. The Republic of Genoa founded the earliest-known state deposit bank, Banco di San Giorgio (Bank of St. George), in 1407 at Genoa, Italy.

Banking in India originated in the 18th century. State Bank of India is the oldest and the largest commercial bank in existence in India. It is a government owned bank in 1806. Reserve Bank of India was nationalized subsequent to independence and given ample powers. At present India have 96 scheduled commercial Banks, 27 public sector banks and 38 foreign banks.

1.1 Need of bank

The foremost reasons why the banks are heavily regulated are:

- To defend the safety of the public's savings.
- To systematize the supply of money and credit in order to achieve a nation's broad economic target.
- To guarantee equal opportunity and fairness in the public confidence in the financial system, so that savings are made promptly and efficiently.
- To circumvent concentrations of financial power in the hands of a few individuals and institutions.
- To assist sectors of the economy in order that they have exceptional credit needs like housing, small business, agricultural loans etc.
- To regulate the issues of banknotes.
- To sustain reserves with an outlook to securing monetary.
- To operate the credit and currency system of the country to its gain.

The purpose of RBI as central banks of India is to formulate, execute and scrutinize the policy.

1.2 Statement of Problem

The behaviour of the customers changes from one person to another depending upon various factors such as age, gender, marital status, occupation, income and place. Presently a bank account becomes a fraction of life in every movement. The researchers undertakes the analysis of customers attitude through questionnaire, various tools provide suitable suggestion for the problems. This study would help the agent to prove their satisfaction among the customer.

1.3 Objectives of the study

1. The foremost reasons why To analyse the customer attitude banking service in Oddanchatram Taluk.
2. To analyse the performance of the banks through customers response.
3. To summarize the findings and to provide suggestions for the identified problem.

1.4 Scope of study

The present study intends at understanding the extent of customer's attitude towards banking services. A range of aspects like reason for selecting the bank, opinion regarding the rate, outlook for opening an account, loan facility was concentrated and offer suggestions for identified problem.

1.5 Research Methodology

Tools used for data collection

In the collection of primary data, structured questionnaire with both open and closed question are used by the researcher for the purpose of data collection. The current study has been analysed through the percentage analysis and five points scaling technique to measure the attitude of customers towards banking services. The analyzed data is presented in the form of table for interpretation of result.

Method of data collection

Normally two forms of data collections are in practice which is observation and survey method. In this study, data are collected from the field survey using well-structured and designed questionnaire. The respondents are obtained by direct interview method.

1.6 Sampling Design

The present study of customer attitude towards banking services in Oddanchatram Taluk bank covers 125 respondents such as businessmen, government employees, private employees, self employees, students and agriculturists.

1.7 Limitations of the study

1. The finding of the study is only applicable to the customers in Oddanchatram Taluk and surrounding area,
2. The sample technique adopted for the study was convenience sampling method due to shortage of time

2 Profile of Oddanchatram taluk

Oddanchatram is a municipality in Dindigul district in the Indian state of Tamil Nadu. It is located at the Western Ghats (the tail end of Palani) in South India. It is situated between Madurai- Coimbatore and Dindigul-Palani highways. It has a population of more than 85,000 with considerable migrant population from the surrounding areas. There is a railway station in Oddanchatram. The normal literacy rate in Oddanchatram is 60%, higher than the national average of 59.5%, of which male literacy is 76% and female literacy is 62%. 10% of the population is under 6 years of age.

A large quantity of vegetables is transported to the neighbouring states every day. The town is also famous for milk and milk products such as ghee. On Fridays there is a cattle market gathering outside the town. The majority of population work in agricultural fields. Goods transportation by road and rail is a growing economic sector.

Table 1- Age- Wise Classification

S.No	Age (in years)	No. of Respondents	Percentage
1	Below 20 years	25	20
2	20-30 years	35	28
3	30-40 years	30	24
4	40-50 years	20	16
5	Above 50 years	15	12
	Total	125	100

Source: Primary Data

It can be clearly understood from the above table that 28 per cent of the respondents are in the a group of 20-30 years, 20 per cent are in the age group of below 20 years, 24 per cent are in the age group of 30-40 years, 16 per cent are in the age group of 40-50 years and only 12 per cent are in the age group of above 50.

Table 2- Occupations

S.No	Occupation	No. of Respondents	Percentage
1	Business	30	24
2	Government Employee	20	16
3	Private employee	20	16
4	Self- employment	15	16
5	Agriculture	15	12
6	Students	15	12
7	Others	5	4
	TOTAL	125	100

Source: Primary data

From the above table it is clear that out of the total respondents 24 per cent are Business, 16 per cent respondents are Govt. Employee, Private Employee and Private Employee and Self- employment. 12 per cent respondents are as agriculture and 4 per cent of others

2.1 Reasons for selecting banks

It is clear from the below table that 'Loan facility' is said by 40 per cent of the respondents as the reason for having transaction with the bank. Hence it is placed in first position. The second 24 per cent of respondent are Avoidance of agents and Avoidance of risk and 20 per cent respondents and 16 per cent others.

Table 3- Reasons for selecting Bank

S.No	Reasons	No. of Respondents	Percentage
1	Avoidance of agents	30	24
2	Avoidance of risk	25	20
3	Loan facility	50	40
4	Others	20	16
	TOTAL	125	100

Source: Primary data

2.2 Customer Satisfaction

Customer satisfaction recurrently used in marketing is an assessment of the products and services supplied by a company meet or outdo customer anticipation. It is the number of customers or proportion of overall customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. Customers play a vital responsibility and are crucial in keeping a product or service pertinent so it is in the best interest of the business to ensure customer satisfaction, and construct customer loyalty^[4].

Customer satisfaction provides a leading pointer of consumer purchase intentions and fidelity. Customer satisfaction data are among the most commonly collected indicators of market awareness. Their foremost use is twofold: Within organizations, the collection, analysis and dissemination of these data sends a message about the importance of tending to customers and ensures that they have a constructive experience with the company's goods and services^[5].

Table 4 - Overall satisfaction of the customers towards banking services

Facilities	Strongly Agree	Agree	No Comment	Disagree	Strongly Disagree
I feel comfortable whenever visit the bank	71	35	5	9	5
Account opening and it's procedures are simple	35	52	25	8	5
The bank services are better	39	34	34	8	10
Banking operations are highly modernized	39	35	25	23	3
Service charges for maintenance of bank account is reasonable	36	28	29	21	11
Loan availing procedures are simple	29	27	20	21	28
Types of account and deposit schemes are very useful	39	32	19	19	16
Advertisement in connection with this bank is informative	15	30	40	24	16
Bank staff assist well in operations	23	34	11	15	42
I will recommended others to open a bank account in this bank	58	40	13	7	7

WEIGHTS

Strongly Agree	- 5
Agree	- 4
No Comment	- 3
Disagree	- 2
Strongly Disagree	-1
Weighted Average	- $\sum WX / \sum X$

Facilities	Strongly Agree	Agree	No comment	Disagree	Strongly disagree	$\sum WX$	$\frac{\sum WX}{\sum X}$	Rank
I feel comfortable whenever visit the bank	355	140	15	18	5	533	9.690	1
Account opening and it's procedures are simple	175	208	75	16	5	479	8.709	3
The bank services are better	195	136	102	16	10	459	8.345	4
Banking operations are highly modernized	195	140	75	46	1	457	8.309	5
Service chargers for maintenance of bank account is reasonable	180	112	87	42	11	432	7.854	7
Loan availing procedures are simple	145	108	60	42	28	383	6.963	9
Types of account and deposit schemes are very useful	195	128	57	38	16	434	7.890	6
Advertisement in connection with this bank is informative	75	150	120	48	16	409	7.436	8
Bank staff assist well in operations	115	136	33	30	42	356	6.472	10
I will recommended others to open a bank account in this bank	290	160	39	14	7	510	9.272	2

Sources: Primary data

From the above table it is found that the I feel comfortable whenever visit the bank have been ranked first, I will recommended others to open a bank account in this bank been second rank, account opening and its procedures are simple have been third rank, The bank services are better has been fourth rank. Banking operations are highly modernized has been fifth rank. Types of account deposit schemes are very useful has been sixth rank, Service charges for maintenance of bank account is reasonable have been seventh rank, Loan availing procedures are simple have even ninth rank, bank staffs assist well in operations having tenth rank.

3 Findings and Suggestions

Findings

1. 28 per cent of the respondents are in the age group of 20-30 years.
2. 56 per cent of the respondents are unmarried.
3. 48 per cent of the respondents are they had awareness about bank by friend relatives.
4. 68per cent of the respondents have saving account.
5. 76 per cent of the customer's account deposit up to5000 (60) per cent.
6. 76 per cent of the respondents are says that service charges paid for their bank. account.
7. 90 per cent of the respondents appoint nominees.
8. 84 per cent of the respondents are saying fully computerized.
9. 88 per cent of customers opined that computerization in bank is favourable to us.

Suggestions

Banks are offering various services for customers. Each and every service is different and is offered mainly to satisfy customer's needs and wants. Today all banking services are made online with the help of the satellite. Some of the suggestions for the improvement are listed below.

All the branches must be computerized to cope up with current advancement of information technology. The customer is the lifeblood of the banker. So the banker must always develop cordial relationship with customers. The account opening procedures and maintenance of account formalities may be liberalized.

4 Conclusion

The present study has been made on a depth of analysis of customer's attitude towards banking services, Oddanchatram Taluk. Various interview methods like questionnaire, observation and personal interview were made. Now days bank have an important role in the economic development of our country. From this study the level of customers attitude provide banking services is understood. The experience gained by the researcher through this study will help in going a long way in life and the researcher is grateful to each and every individual who made it possible.

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