CHAPTER-6

CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION
This chapter deals with a comprehensive analysis of this research work. This research work presents an analysis of how various innovative banking variables influence the satisfaction level, behavior and views of customers and bank employees. The research has been undertaken to study the attitude of customers and bank employees towards various innovative products and services adopted by public and private sector banks. In this research, study has aimed to analyze the attitude, satisfaction and approach towards Mobile banking services, Internet banking services, ATM banking services, Plastic money services, RTGS and NEFT banking services and other components related to promotion and customer relation in banking sector. The study has been undertaken with respect to public and private sector banks operating in Eastern Uttar Pradesh only. Findings of the study, recommendations and scope for future research are covered in this chapter. Also a brief conclusion has been added.

Following table (Table 6.1) shows a brief summary of objectives undertaken and conclusions drawn.
<table>
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<tr>
<th>S.NO</th>
<th>OBJECTIVE</th>
<th>CONCLUSION</th>
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<tr>
<td>1.</td>
<td>Study of customers’ and bank employees’ attitude and perception towards mobile banking services</td>
<td>Favourable and positive response by customers and bank employees. Customers and employees are highly satisfied on grounds like cost, time and effort saving, reduction in work load of record keeping, up to date information, security etc.</td>
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<td>2.</td>
<td>Study of customers’ and bank employees’ attitude and perception towards internet banking services</td>
<td>Positive response and high level of satisfaction is shown by customers and employees on grounds like faster services, offers and schemes, simplicity in language and website content, economy of place, privacy, etc.</td>
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<td>3.</td>
<td>Study of customers’ and bank employees’ attitude and perception towards NEFT and RTGS services</td>
<td>Customers and bank employees have shown positive response and good level of satisfaction towards NEFT and RTGS on factors like reduction in the risk of fraudulent encashment, bulk transactions in short span of time, Economy of time, money and place, etc.</td>
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<td>4.</td>
<td>Study of customers’ and bank employees’ attitude and perception towards ATM services</td>
<td>Customers and bank employees have shown positive response towards ATM services. Assurance of safety and security, instant cash withdrawal, freedom from long waiting time in queues, high quality of notes, economy of time in banking operations have resulted in positive attitude of customers and employees.</td>
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<td>5.</td>
<td>Study of customers’ and bank employees’ attitude and perception towards Plastic money services</td>
<td>Favourable and positive response by customers and bank employees. Convenience in purchasing, reward points, updated services, provision of special counters, reduction in the risk of theft have made it successful.</td>
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<td>6.</td>
<td>Study of customers’ and bank employees’ attitude and perception towards other innovative (Eg: Innovative advertising, Bancassurance, 24x7 toll free Customer care services in various languages, electronic cheque deposit machine, Pass book printing</td>
<td>Both customers and bank employees are highly satisfied and shown positive response towards other innovative approaches adopted by banks.</td>
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7. Comparison of innovations undertaken by Private and Public Sector banks for benefit of retail banking customers of Eastern U.P

Comparative analysis shows that public sector banks have shown a better performance in Eastern U.P as compared with private sector banks.

Table 6.1

6.2 FINDINGS OF THE STUDY

1. In case of mobile banking services provided by banks, majority of the customers, including public and private sector banks, have a positive approach towards mobile banking services provided by banks. Overall 351 customers agree that mobile banking enables them to utilize banking services more quickly and enhanced effectiveness in banking operations. 351 customers feel that mobile banking service is cost, time and effort saving. 339 agree on the fact that safety and personal privacy of information is preserved. 371 customers agree that up to date information of banking transactions is provided more quickly through mobile banking than any other services. 352 and 376 agree on the view of ease of use and reduction in work load of record keeping respectively. Thus, it is evident that customers have a positive attitude and banks are successful in building strong base for mobile banking in Eastern Uttar Pradesh region.

2. Findings show that with regard to internet banking, customers show a positive response. Internet banking is a relevant variable depicting innovation in banking sector. Combining customers both from public and private sector banks, it is seen that majority have an agreement on providence of up – to- date information on transactions and other important offers, schemes and policies related to bank, user friendly service, simplicity in language and information content and instructions on website, easy access to transaction data both recent and historical and high degree of convenience in banking. Out of 510 customers, 377 feel that Internet banking services are generally faster than traditional banking which helps customers to avoid long queue in banking halls and 375
respondents have a strong perception that Internet banking helps in avoiding many risks like robbery in physical handling of large amount of cash. All the mentioned facts are relevant enough to show that internet banking has built a strong position among bank customers. People have appreciated it on the points of safety, convenience, privacy, quick access, instant information, economy of place, etc.

3. 382 customers feel that ATMs are conveniently located in various areas of city to perform banking operations as and when required irrespective of the time when access to the ATM required. 361 feel that sufficient number of ATMs have been provided by their banks. Majority agree that their bank ATMs provide high quality of notes, adequate safety and security against various threats and losses and It is easy and simple to operate and handle ATM machines and not much learning is required prior to use irrespective of age and capacity to learn on how to operate them. Also a good number of 353 customers agree that they do not face problems regarding bank ATM like cards get blocked, machine out of cash,non-printing of statement,machine out of order, long waiting time in queues, reduction in balance without cash payment,etc. The findings of study on internet banking signify that customers in Eastern U.P. are satisfied with internet banking services provided by public and private sector banks. Features like instant cash withdrawal, freedom from long waiting time in queues, safety and security, etc. have helped banks to retain the favor and liking of customers towards internet banking.

4. The research findings show that 354 customers are in favor that RTGS and NEFT provide economy of time. Also, it has reduced job of record keeping as all the transaction details are available electronically. Customers also agree that there is reduction in the risk of fraudulent encashment associated with paper-based instruments after the introduction of RTGS and NEFT in banking system. Also, 363 say that RTGS and NEFT facilitate bulk transactions in short span of time as there is no need of performing transaction one by one which is a hectic job and requires high amount of time. Economy of time, money and place; reduction in load of record keeping, adequate safety and security and instant transfer in case of urgency are certain factors on which customers have shown their agreement. These factors make RTGS and NEFT an
effective and successful banking practice among customers, both from public and private sector banks.

5. Plastic money has become a very important part of man’s life. In this research, bank customers in Eastern U.P. region have shown positive response as well. It is very well accepted among people here. Out of total 510 customer respondents, 364 feel that various types of debit and credit cards and updated services attached with them have been provided to them by their respective banks. Further, 354 customers say that plastic money brings convenience in purchasing as payments can be made through debit and credit cards online and offline both. Customers do agree with the views that additional charges for extra facilities are worth their value, like reward points in the purchase of petrol and railway tickets and buying airlines/railway tickets and other products by using cards at special counters saves times.

6. Findings show that 350 customers feel that machines like electronic cheque deposit machine, pass book printing machine and coins converter machine have been made available at the branches which are time, cost customer friendly. Another important variable is innovative advertising. 346 feel that innovative advertising with social messages do make an impact on the perception and views of customers on banks services. 361 customers say that adoption of new and updated technologies by banks attracts them more towards using the banking services of a particular bank. Further, majority of the populations agrees that services like Bancassurance, Mutual Funds provided by bank gives more flexibility and convenience as customers do not have to access other service providers for the same.

7. Findings of the study show a positive response of bank employees towards various innovative interventions adopted by public and private sector banks in Eastern U.P. In case of internet banking, it is observed that out of 306 employees, majority are satisfied with the extent of internet banking services provided to customers by their respective banks. This signifies that future of internet banking from the point of view of bank employees is good. 152 employees feel that Internet banking is more user and banker friendly service as language and information content is simple and instructions on website are also easy to understand. Further 165 bank employees say that Internet
banking may help in avoiding many risks like robbery in physical handling of large amount of cash. 159 employees say that adoption of Internet banking helps in retaining more customers. Thus, overall, a positive attitude of bank employees is seen in Eastern U.P towards internet banking.

8. More than 50% of the total respondent employees have shown an incredible positive response towards mobile banking. Employees have shown favor on the grounds like, mobile banking service is cost, time and effort saving, safe and secured and convenient in operation.

9. 156 employees are of the view that the quality of notes (currency) provided by the ATM of their bank is high. 155 bank employees say that problems like cards get blocked, machine out of cash, non-printing of statement, machine out of order, long waiting time in queues, reduction in balance without cash payment, etc. are not of much frequency. In terms of safety and security too, employees have shown positive response. Therefore, on the basis of mentioned grounds, it can be inferred that bank employees have a positive mindset towards ATM banking.

10. In this research, results of the study show that employees feel that there is reduction in the risk of fraudulent encashment associated with paper-based instruments after the introduction of RTGS and NEFT in banking system. Further, 165 bank employees have said that RTGS and NEFT facilitate bulk transactions in short span of time as there is no need of performing transaction one by one which is a hectic job and requires high amount of time. Also, majority feel that RTGS and NEFT provide economy of time as instant transfer of money is possible with these services. Overall, a positive attitude of employees is seen towards RTGS and NEFT in Eastern U.P.

11. Findings reveal that employees are satisfied with the plastic money services provided by their respective banks. 155 feel that plastic money has reduced the risk of theft as there is no need to carry huge amount of cash every time and there is easy access to money all around 24 hours. Bank employees also agree that their bank provides various types of plastic money services including cards, offers and schemes related to them. 163 employees are in favor of the view that since it is necessary to fill in important details
like PIN No., Card No, it does not become a hectic job but a fruitful obligation. Thus, it can be said that plastic money services has a strong base among customers too.

12. Findings of the study reveal a positive attitude of bank employees towards services like innovative advertising with social messages carried out by banks, customer dispute handling cell, electronic automatic machines, etc. 253 bank employees out of total sample 306 say that innovative advertising with social messages do make an impact on perception and views of customers and employees about bank services. Further, 204 bank employees have agreed that adoption of new and updated technologies helps in attracting more customers. 238 respondents (bank employees) are in favor that Machines like electronic cheque deposit machine, Pass book printing machine and Coins converter machine which are available at banks are time, cost, banker and customer friendly. This shows that overall, bank employees have a positive attitude and are satisfied with other innovative products and services.

13. Comparison between public and private sector banks show that in case of mobile banking services, public sector banks have outperformed private sector banks in eastern U.P. On the grounds of cost, time and service utility; preservation of personal privacy, security and safety, ease of operations and reduction in record keeping, public sector banks have established a better place among customers and bank employees.

14. In case of internet banking, comparative analysis shows that majority of the customers and bank employees from public sector banks have shown a high level of satisfaction towards internet banking. Factors like high degree of convenience, faster services, user friendly service and ease of access to information have been favored more by public sector bank customers and employees.

15. Findings of the study reveal that public sector banks have shown higher customer and employee satisfaction towards ATM banking. Only on the ground of less learning requirement and ease of operation, private sector banks have better results in case of employee satisfaction.
16. Comparison between public and private sector banks show that in case of plastic money services reveals that employees and customers of public sector banks have a better satisfaction level and high positive attitude.

17. In case of RTGS and NEFT banking, customers and bank employees of public sector bank are more satisfied than private sector banks. Factors like reduction in cost of transactions, bulk transactions, instant transfer of funds are some variables on which customers and bank employees have a positive attitude.

6.3 CONCLUSIONS

This study covers the study of attitude, behavior and perception of bank customers and bank employees towards various innovative products and services adopted by retail banks. The study primarily focuses on respondents belonging to Eastern Uttar Pradesh region, specifically urban areas. The research would help the customers in their decision making while adopting various banking services. It would also cater the bank employees as they have a crucial role in tailoring banking strategies. Following points conclude the research in brief manner:

1. In order to analyze the various factors influencing the choice, satisfaction, decision and behavior of customers and bank employees with respect to innovative banking system, six factors were generated in case of bank employees and customers each through Factor Analysis. The six factors generated in customer analysis were Mobile Banking Factor (MB), Internet Banking Factor (IB), ATM Banking Factor (ATM), RTGS & NEFT Factor (RTGS & NEFT), Plastic Money Factor (Plastic), Other Factor (Other). The six factors generated in bank employee analysis were Mobile Banking Factor 1 (MB1), Internet Banking Factor 1 (IB1), ATM Banking Factor 1 (ATM1), RTGS & NEFT Factor 1 (RTGS & NEFT1), Plastic Money Factor 1 (Plastic1), Other Factor 1 (Other1).

2. Internet banking provides state-of-the-art payment gateway services to industries and companies in order to ease out transaction processing which enhances the credibility of business and makes banking extremely cost-efficient. (Sudeep, 2008)

3. A study taken says that many banks use internet banking channel to deliver their services because of its relatively lower delivery cost and potential for offering greater convenience for customers. (Shah and Clarke, 2009)
4. A study reveals that factors like education, knowledge in computer, willingness of the people, people’s convenience and awareness etc. are responsible for the successful operation of internet banking in any area. (Paul, 2008)

5. A study depicts that the risks associated with Internet banking are many, which the banks have to model using sophisticated systems and extensive use of technology. The legal framework as it exits requires an updating to streamline and handle the issues associated with Internet banking. The functional model can be used to prioritize perceptual variable concerning consumer behavior so that value to the consumer can be maximized. The banks can focus on strategic consumer groups to maximize its revenues from Internet banking. (Gupta, 2008)

6. A study on factors influencing young user’s online banking channel usage in India shows that, young user’s actual usage is influenced by their negative feelings towards security and privacy dimensions of online banking transactions. This may be attributed to the loss experienced by their past online transactions or lack of awareness of the existing security system. Hence the banks have to create awareness among the students by educating about their authentication system, soundness and privacy policies. The Technology Accepted Model (TAM) identified few factors that influence actual usage of online technology. The aim of this paper was to extend TAM to add the perception towards risk of transacting online and online efficacy of individuals to capture their combined influence on actual usage of online banking services among young users in India. The study identified that all the variables, perceived usefulness, perceived ease of use, online self-efficacy and risk to influence youngster’s actual usage of online banking channel. In Indian context, the young users are driven to use online banking technology because of its ease and usefulness. (Kalaiarasi and Srividya, 2012)

7. Rao (2013) in his study mentions that internet banking services the awareness is very low in the rural area. It is suggested that The SBI should launch campaign to educate and create awareness to consumers. Instead of merely displaying the information in the branches through posters and banners, media could use intensively for this purpose in local language. It is suggested that The SBI has to initiative necessary measures to increase the awareness level through awareness programs in the rural areas and the bank
has to concentrate more on Promotional measures through agents, banks services, advertisement and merchant establishments are the sources of information and awareness providers for bank customers. As part of create awareness SBI should pay attention to reach out their female customers who are in a majority of cases would have less experience and willingness to avail e-banking. It is suggested that the SBI is required to more emphasis on training programs for their employees to aware them in order to promote Online Banking Services& facilitate all the services to their customers. SBI can introduce expert mode of system to reduce troubles of employees while providing guidance about online banking services as well as to reduce troubles of customers while availing online banking services. This is applicable to many other public sector banks.

8. A study has identified the various factors which explain why certain consumers are not using internet banking. The two most frequently mentioned factors were perceptions about the risks associated with internet banking and the lack of perceived need. Other less frequently mentioned factors were lack of knowledge of the service, inertia, inaccessibility, lacking the human touch, pricing and IT fatigue. The findings suggest that marketing campaigns which aim to encourage consumers to become internet bank users are likely to attract more males, the higher income groups, the better educated, those who have already used the internet to buy services and/or goods and those who are knowledgeable about internet banking. (Gerrard, Barton, Cunningham and Devlin, 2006)

9. Bajaj (2008) suggests that mobile banking also spells more business for banks, especially as they ride the wireless telephony boom in India's rural hinterland, which has a large population of the financially excluded.

10. As mobile phone technology is a growing technology in banking, finance and commerce sector by which we can save our time and can access our account and information of our account from anywhere and anytime and it also keeps alert us with our account transaction and with other necessary information. But there is some security related risk and challenges may come to overcome these risk and challenges we have to improve our security system and improve the authentication system for secure services and make
trust in customer to use of mobile banking services and can remove barrier in adoption of mobile banking services. (Tiwari, 2014)

11. According to Furrer (2013), a smart mobile banking strategy also helps in mitigate the tendency of younger generations to move their funds away from their family’s longstanding relationship with a local or regional bank.

12. A study concluded that most of the customers are satisfied with the ATM services provided by the banks. But still many customers have faced many problems such as unavailability of ATM centers, non-functioning of ATM machines, wrong deductions of amount etc. The main problem they have come across is the security problems like the absence of security personnel and non-functioning of auto door locks. Hence all these problems must be taken into consideration by banks to provide the customers with better ATM services. (Umamaheswari and Bhuvaneswari, 2013)

13. Sachan (2008) highlights the ATM development strategies for the Indian markets. The study results indicate that ATM Breakdown, ATM Functionality and ATM Location are the three most important factors for the ATM users. Banks can devise niche strategies to serve the specialist markets.

14. A study conducted on Challenges of Automated Teller Machine (ATM) Usage and Fraud Occurrences shows similar results with this study. It shows that most victims of ATM fraud are students and ATM users who are not aware of any incidence of ATM fraud. A total of 83 females (55.%) and 67 males (44.7%) from the three banks participated in the study. From the data gathered in obtaining the most victims of ATM fraud, 41 respondents out of 67 respondents of the male have ever been a victim of ATM fraud. 24 out of 83 respondents of the female have been a victim of ATM fraud. This implies that the males are the major victims of ATM fraud from the study. Also, 33 out of the 60 respondents of the students have ever been a victim of ATM fraud, 7 out of the 20 respondents of business men/women have been a victim of ATM fraud. The age ranges that are most victims of ATM fraud are respondents of age between 21- 25 years. (Adepoju et al, 2010)
15. The electronic funds have appeared as a necessity in the nowadays financial industry. The most important reasons are the transaction processing low cost, low time processing, low risk in the financial messages transmission (private, personal communication networks). (Poenar, 2008)

16. There are a plethora of risks and issues which are associated with EFT which in other words has proved to be disadvantages of electronic banking. The major issues are the issues of security and privacy. Security risk arises on account of unauthorized access to a bank’s critical information stores like accounting system, risk management system, portfolio management system, etc. the specific privacy issue related to protection of personal data became an issue of growing concern with the advent of computerized systems which could store and disseminate large amounts of information with relative ease via automated processes. Research on payment systems has also been motivated by the important design changes that have occurred in the past 30 years from delayed net settlement system, to real-time gross settlement (RTGS) system, to the introduction of liquidity-saving mechanisms in many countries more recently. (Jurgilas and Martin, 2013)

17. In the last two decades, there has been a paradigm shift in banking industry by the technology-based approach in business. Banks across the world are motivated to integrate information technology (IT) into their daily operations to gain top-line as well as bottom line benefits. (Keshawani and Radhakrishna, 2013)

18. Technology is being used to engage customers throughout their lifecycle. Banks are now focusing on their service offerings to suit customer preferences. Technology is playing a strategic role in driving the growth of the organisation and is no longer viewed as a support function, few banks are launching campaign as a ‘corporate social responsibility’ objective with a purpose to promote Green banking which is paperless and queue less banking and also promotes use of recyclable products for Bank’s stationery using TYVEK material. (Manohar and Kumar, 2013)

19. A study taken by Roopadarshini and Shilpa (2014) focuses to find out the impact of IT innovation in banking and to analyze the impact of banking technologies. Following
table shows the technological changes in banking services. Around 50% of the respondents are highly satisfied with the technological changes taken place in banking area. On the other hand 5% are not satisfied.

20. As per Whyel (1974), EFTS offers tools to reduce the ever mounting piles of paperwork. It makes banks over burdened with work. The main challenge is to make EFTS error proof.

21. As many economies now feature new forms of payment such as credit cards, smart cards, and electronic money, it is increasingly important for policymakers to understand how consumers substitute between cash and competing media of exchange. Inflation triggers agents to substitute from money to credit for two reasons: a higher inflation rate both lowers the rate of return on money and makes default more costly, which relaxes agents' borrowing limits. (Lotz and Zhang, 2013)

22. Another study on plastic money depicts that when plastic money users are satisfied, they will be attached to the bank for a long time. It will be strength for a specific bank to compete with other banks. It will help the growth of the plastic money users’ confidence on the bank and users will be tempted. If banks want to sustain positively, there is no alternative but to satisfy the customers, especially the plastic money users, because they use it against their valuable deposited money in the bank. Bank must improve its strategies to fill up the demand of Plastic money users because if the users switch to another bank, the particular bank will lose some cash flow that will negatively affect the goal of the bank. (Sumi and Safiullah, 2014)

23. A research shows the usage of Debit cards in rural areas is also influenced by some of the factors like age, income, occupation, educational level, and years of association with the bank. These factors are said to be influential in the usage of debit cards among the rural consumers. The results allow banks’ decision makers to develop strategies that can increase the usage of Debit Cards by Rural customers. Debit cards are widely used everywhere; fortunately our rural India has started the eve of adopting the new technology of ATMs and debit cards. The major customers of rural areas consists of students, business people, vendors and farmers, this amply indicates the growth of the
nation and raise in the standards of people. Literacy was one of the factor affecting the adoption and long term usage of ATMs and debit cards, but now a days the trends are even changing in the rural areas. The secured transactions are ensured by the technology, the continuous need for withdrawal of money and change in the customer’s attitude towards debit cards has influenced the long term usage of debit cards in rural areas. (Ravikumar and Maran, 2013)

24. A study shows that to strive, to attract and retain customer the bank has to introduce innovative products, enhancing the customer services and marketing through different channels targeted at specific customer. (Dhanabhakyam and Anitha, 2011)

25. Due to the growth of IT sector, banks are being able to reach their customers anywhere at any time. (Paul, 2013)

26. The biggest challenge to obtain effective customer knowledge includes obtaining a complete view of customers is difficult. The challenge to move away from standalone, disjointed, inconsistent channels to a cohesive, integrated, multichannel offering. The cost and complexity of meeting strict government regulations and client privacy and security requirements. This view is regarding CRM in banking sector which says that CRM is all about bringing people, processes & technology together – a case study of banking sector in India. (Bihari, 2012)

27. Accepting the key role of perceived risk in online banking adoption, finding an operational segmenting variable that could both reduce consumers risk perception and positively influence internet banking adoption would be of great managerial interest. It is believed that consumer innovativeness, understood as the tendency to willingly embrace change and try new things and buy new products more often and more quickly than others may successfully assume that role. (Manzano, Navarre, Mafe and Blas, 2008)

28. Tiwari studied that Union Bank of India is providing very innovative services. This bank has focused on the backward side of the society. The CSR policy of the bank is really very innovative. This is the only bank that is providing this type of facility to the rural
area. It is observed that banks in India moving towards sustainability through innovative service operations and offerings. The sample considered here for analysis has proved this point very clearly. The rate at which innovation are adopted by firm constitute an important part of the process of technological change. Union Bank of India is more aggressive in innovation and it is position ahead it terms of services. So the banks must create and sustain an environment that promotes creativity. Also innovation can give the better success to the banking sector. It is one of the best policies and the key of success of any bank. This is an example for other banks too that they should also focus on extensive innovation.

29. This research indicated that account access, ease of transaction, ease of use, privacy and security are important determinants of customers’ satisfaction with internet banking.

6.4 RECOMMENDATIONS AND SUGGESTIONS

1. High degree of security and privacy is of utmost importance to the future regulation, protection and use of internet banking because of the challenges it poses on the payment system. Security and privacy are two important factors which have been instrumental in keeping the respondents satisfied. Thus, it is quite necessary to ensure more regulation and control of these two factors. Customers are extremely concerned about their privacy of transactions. Banks need to focus more these elements to keep the faith of customers alive.

2. There is an urgent need for the establishment of more advanced Computer Security Response Team which must protect and secure information related to technology based banking. Since banking in eastern U.P. has grown up much with the involvement of new technologies, it is necessary to maintain control on the same.

3. It is advised that private sector banks should adopt such approaches which could target low earning groups. Further, it is suggested to private sector banks that they should carry certain activities and initiatives which can reach more people in eastern U.P. Also, the programmes should be designed in such a way that they do not pose difficulty in terms of cost and understanding.
4. Private Banks need to develop more faith about simplicity in operations and security of money among people in eastern U.P. as still people living in state of Uttar Pradesh have more faith in public sector banks. Private Banks have shown less satisfaction among customers and employees with respect to simplicity in operations. Private Banks may conduct activity camps to aware the customers about the facilities provided by them.

5. The use of IT is expected to lead to a favorable impact on bank performance, the banks need performance measures which are related to customers to improve their performance and minimize waste of productive customers. It is seen that majority of the customers have an agreement on providence of up-to-date information on transactions and other important offers, schemes and policies related to bank, user friendly service, simplicity in language and information content and instructions on website, easy access to transaction data both recent and historical and high degree of convenience in banking. Banks should increase awareness about the use of various technological tools to help them capture relevant and timely information for decision making. Banks should encourage employees to consult other bank employees if needing help with client queries. Banks should motivate employees to notify customers about new and changed products and/or services. This will be very helpful in reaching out less educated customers. Banks should also educate employees about the bank’s complex, ever-changing business environment. Banks should conduct special awareness programmes for housewives to let them know how to use internet banking, mobile banking and plastic money services. Banks should conduct special programmes to educate old-aged people as they hesitate in using various innovative banking products and services due to lack of knowledge. It is seen in the study that even retired people are using internet and mobile banking these days. This would improve banking services popularity among women, old aged people as well.

6. In order to be competitive in attracting customers, bank must invest more in advertising campaign, with the aim of creating awareness for service offerings. The banking industry is definitely a very competitive market. Because of its competitiveness, companies will have to step up their bank marketing strategy to more modern forms and expand their horizons in order to maintain customer levels necessary for their company
to remain successful. Some banks in small towns still mail out their brochures to customers and advertise new things that are happening with their institution, but most folks simply toss those brochures into their recycle bins now. This is not to say that the banks are not thinking about great marketing ideas, but the truth of the matter is that most people do not deal with regular mail, brochures, newspaper ads or business cards like they used to. “Marketing on the Internet is the newest and most favored banking advertising technique; something fresh and revitalizing. The banking industry is completely globalized now. Even people in other countries are searching for banking outside of their country. This might be because they are planning to travel or they simply want to try something new. The banking industry needs to capture the attention of these potential customers through marketing and advertising.

7. Some PSU banks have become more creative in their advertising. These days, one does get to see sparks of creativity in PSU bank advertising. But, not all PSU banks are being innovative. Some of them are stuck in an undifferentiated feel-good space in which it becomes difficult to tell the brands apart. PSU banks are challenging the former on every front -- product offerings, customer service and technology. They are making assertive moves to not only retain the old customers, but also focus on the acquisition of new, young customers by relevant positioning and products.

8. Features like instant cash withdrawal, freedom from long waiting time in queues, safety and security, etc. have helped banks to retain the favor and liking of customers towards internet banking. Banks can go ahead with installation of loud emergency alarms or switches in ATM cabins which send strong signals to police stations or the public in case of incidents. A loud alarm alerting the law enforcers or the public outside will definitely help prevent an untoward incident.

9. Adequate and repeated training of branch staff to make them more knowledgeable and empower them to handle most situations with ease. Human resource development is a challenge. There is a gap in middle-level management which has to be addressed through lateral hiring, better training etc. This is essential for public sector banks.
10. Use of technology must be increased to make banking easier and improve efficiency of the bank. Positive responses show that eastern U.P. has much more opportunities in banking sector as people are accepting it whole heartedly.

11. Banks are continually striving to increase market share in the lucrative corporate treasury market as focus moves away from proprietary trading to more customer centric activities. In order to achieve this, banks need to be able to differentiate themselves from their competitors by providing better service, easy access and an overall first class client experience.

12. MICR was introduced in India in era of 1950’s but it took 50 years to adopt it properly. If other system of e-payment will also grow at such a low pace than the growth of e-payment system will be very less. So to improve the usage of e-payment system, there should be strong legal framework and convenience factors that can expand the business of e-payment. The banks should expand the core banking solutions, clearing services, facility of debit and credit cards to rural branches of the banks also. Today the vision for an electronic payment system in India should be that wherever the physical cheques can get processed, electronic fund transfer will also reach. If such thinking will be developed by every bank for e-payment expansion than it could be substantially increased.

13. EFT/NEFT should also be used for bill payments like mobile bills, telephone bills, electricity bills as millions of customer required such kind of services. Further it should also cover the LIC policies premium and payment. MICR code with branch, bank, location is familiar to millions of account holders in the country but shifting to IFSC code (Internally used within the system) from MICR code is quite difficult for the customers to understand so still IFSC code gain the popularity both code must co-exist.

14. If any software is introduced, it should be properly discussed so that complexity is reduced. In order to facilitate the use of innovative and advanced banking services bank managers who are responsible for framing the policies, should make systematic efforts in exploiting banking opportunities with continuous education and with proper flow of information management.
15. The banks should emphasize more on popularizing internet usage by customers which results into improvement in customer satisfaction and also cost reduction. Provide various effective modes for promotional schemes interaction with the customer, more accuracy in billing, financial security and privacy in transactions. It is seen that customers and employees have stressed on cost effectiveness of innovative instruments in banking.

16. Consumers are more likely to say yes to something when they already know they are approved for it. Banks can review existing accounts to determine positive banking and credit trends in customers. Those identified with positive trends and credit histories are sent "pre-approval" letters for credit cards, lines of credit or mortgages. This can also help in creating customer-worth.

17. A successful strategy employed by all banks is product bundling, such as offering a free checking account for those who open a savings account. Because this has become common practice, successful strategies implement creative bundling solutions. An automatic home line of credit with a mortgage refinance might be a solution when interest rates are low or the community has a large percentage of consumers looking to consolidate debt.

18. A very crucial point was diagnosed while conducting survey for bank employees. The adoption of aggressive practices by banks so that the employees are able to generate more customers for the bank. This has turned into a target based job for the bank employees which create a lot of pressure on them. Due to which a high employee turnover has been observed in the last decade. Banks should provide a conducive and productive target based job arena for the employees so that the turnover is reduced. High employee turnover also hampers the image of the bank.

19. Banks range in size and capabilities. Small banks may only have one or two branch offices whereas large commercial banks may have thousands of branches across the nation. Regardless of the size of the bank, each branch needs to tailor local marketing strategies to serve the immediate community. Consumers bank in a place where they feel safe and comfortable. This means tellers and account representatives who speak English
as well as any prominent language in the community. By having branch managers look at the local community needs, the bank can attract a larger percentage of the target market. This is application of ‘community marketing’.

20. Nowadays, banking industry has to recognize the change and challenges that face them. Global deregulation, increasing the demand level, and intensely competitive environment are the issues that bank must consider in maintaining their competitive advantage. In this regard, banks need to strengthen their internal marketing strategies. Internal marketing is a coordinated philosophy using a traditional marketing approach to motivate, train, and guide employees to implement change (Turkoz and Akyol, 2008). It is the philosophy of treating employees as customers and it is the strategy of shaping job-products to fit human needs (Berry and Parasuraman, 1991). **Banks should move from “win market share” philosophy to “win heart share” philosophy.** Banks should view employees as internal customers. If bank employees are satisfied, they will work harder to satisfy and create more customers. It can be said that to capture large market share, it is eventually needed to first of all capture and win hearts of the employees and then through the employees, hearts of customers. Internal Marketing helps to ensure that staff understand the product itself and believe in what the organisation is trying to do. If an organization’s own employees are not markets oriented, if they do not support the overall corporate and marketing strategies, then the chances of successful plan implementation are minimal. In a marketing-oriented, customer focused bank, all employees understand that they are central to service delivery. Their presence makes the service more tangible and in many cases personalized. Branch personnel constitute a vital link in accurately projecting the bank's image and therefore they should be kept informed about what is being proposed and then trained to implement any specific projects.

### 6.5 IMPLICATIONS OF THE STUDY

This thesis contributes to the body of academic knowledge as well as to banking sector for managerial purpose. It is proposed that this thesis will be beneficial for banks as well as for the
customers. The results and conclusions drawn may be used to ensure more effective strategies in banks. It can be used to ensure better, new and improved banking services to the customers. The findings could also be useful in knowing how the various discussed variables influence the behaviour of bank employees and customers and how they can adapt these variables in a positive manner. The study also reflects the satisfaction, attitude, views and opinions of bank employees and customers towards various innovative practices adopted by retail banks in urban areas of eastern Uttar Pradesh. This helps in understanding how customers and bank employees have adopted various innovative banking products and services and this would help in making effective strategies for future growth. The study done through literature review also provides various insights for betterment of banking sector.

This study will also be of much help to academicians, researchers and policy makers and management in retail banks and in financial institutions. Ultimately, this could lead to benefits for banks, their customers and the Indian economy as a whole.

6.6 SCOPE FOR FUTURE STUDY

Research in the area of banking is always full new insights and aspects. This study was restricted to some urban areas of eastern U.P. only while the state is quite large in terms of area and population. Researchers in future can target more regions for study. With time, many new interventions in banking sector are coming up; subsequently researchers can take up study. Although this research deals with the attitude of bank employees and customers related to retail banking only, in future research can be taken up for development banks and corporate banking too. It is also observed that not much work has been done on Electronic Fund Transfer systems which now a days have become quite important. Researchers can focus on doing some analysis and study in this area as well. Also focus can be made on a larger sample size and role and attitude of RBI personnel in banking.

6.7 COMPARISON WITH OTHER STUDIES

This thesis is based on five important interventions in banking industry. In terms of difference with other studies related to this particular topic done in the past, this study provides an insight in composite form. It includes an analysis of behavior, attitude, point of view, mindset and
preferences of customers and bank employees with respect to cost, accessibility, convenience in operation, type of usage, urgency, level of easiness specially for old aged people, time saving factor, level of acceptance, risk factor etc., attached with internet banking, mobile banking, ATM services, plastic money services, NEFT & RTGS services, etc. In this study it is revealed that in urban areas of eastern U.P. region public sector banks have outperformed private sector banks, while many other studies conducted in other regions and especially metro cities in India show that the performance of private sector banks has been better than public sector banks. The results show that in Uttar Pradesh region, acceptance of high advanced banking services is more among males than females. Also it is found that the present study results show that private banks have not been able to make access to the common and average earning population in eastern U.P., while studies taken up in other metro cities show that private sector banks are very popular. Other studies show that most of the customers argued that most of the banks do not provide 24 hours customer care facility and inconvenient location of ATMs is also attached with banks. While in this study, respondents showed their agreement against this point. It is seen that other studies show that a high percentage of respondents do not trust the security level of M – Banking services. This study has highlighted the response of customers and bank employees towards the point that there is reduction in work load of record keeping after the advent of mobile banking. It is highly appreciable that respondents have shown a positive mindset towards it. This point has not been focused yet by other studies. With respect to ATM banking, problems like cards get blocked, machine out of cash, non -printing of statement, machine out of order, long waiting time in queues, reduction in balance without cash payment, etc. are not of much frequency. Many other studies have detected these issues, but in this study, these factors do not pose relevant trouble for the customers and bank employees. Few other studies show that debit and credit cards are more popular among youth, but this study shows that in urban areas or cities of eastern U.P. region, almost every age group is attracted towards Plastic money services.

REFERENCES

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