CHAPTER VI
FINDINGS AND SUGGESTIONS

INTRODUCTION

The present research work is study on the “A Study of Customers’ Perception, Awareness and Satisfaction towards Retail Banking Services in Salem District”. Based on the finding of the study and other information collected, the following suggestions will be effective in designing the marketing strategy for the retail services of banks.

MAJOR FINDINGS OF THE STUDY

The major findings observed from the study have been summarized below:

1. It is found from the analysis that male customers outnumbered the female customers in all the three types of banks taken for the study. The proportion of male customers in private sector banks (73.2 percent) was higher than that of nationalized banks (68.2 percent). It reveals that private sector banks have attracted more male customers than the nationalized banks while female customers have been impressed more by nationalized banks.

2. Most of the respondents are in the age group of 21 to 30 years and they have entered into the job after their education and it is observed that the age is not a bar for having a savings or current account in both banks.

3. The major proportion of customers of banks in Salem district are unmarried because they belong to the age group of 21 to 30 years and it is evinced that there is significant relationship between marital status of the respondents and type of account.
4. Majority of the respondents are having education background (Graduate or Post graduate). But it is noted that there is no significant relationship between educational qualification of the respondents and type of account.

5. It is observed that the higher proportion of customers of nationalized banks (40.8 percent) was employed and in case of private sector banks the higher proportion of customers (48 percent) were engaged in business / profession. This infers that there is a relationship between occupation of the respondents and type of account.

6. More number of the respondents are having monthly income of up to Rs. 10000 per month in nationalized banks whereas in case of private sector banks majority of respondents having monthly income of Rs. 10001 to Rs. 20000 and it is not influenced by the nature of account.

7. The higher proportion of customers in both nationalized and private sector banks had 3 to 4 members in their family. It is understood that size of family of the respondents is not a matter for opening current account or savings account.

8. Most of the respondents either male or female are having savings account. This infers that there is no significant relationship between gender of the respondents and type of account.

9. From the analysis it is found that maximum numbers of respondents were customers of these banks for less than 5 years and it is concluded that there is a connection between period of customership and ownership pattern of bank.
10. Most of the respondents may know the banks out of their self knowledge. But there is no significant relationship between source of awareness and ownership pattern of bank.

11. It is identified that there is a significant relationship between selection of bank and ownership pattern of bank because majority of respondents select the bank which is proximity to home.

12. It is observed from the analysis, that more number of the respondents have their saving accounts in nationalized banks but they have not availed cheque book facility and it is also concluded that there is a significant relationship between utilization of cheque facility and ownership pattern of bank.

13. Majority of respondents are having their accounts in nationalized banks and they have not utilized the cheque facility and large numbers of the respondents of private sector banks have got the cheque book on the same day itself. It reveals that there is a significant relationship between time taken for getting cheque book and ownership pattern of bank.

14. It denotes that respondents of both nationalized and private banks have not availed loan facility. It is found from the analysis, that maximum number of the respondents have got educational loan and this is due to that most of the respondents have savings account. Most of the respondents did not have availed any loan and they did not face any problem, but out of those who have availed the loan, majority of the respondents deprived due to insufficient income. It is concluded that there is a significant relationship between nature of problem faced in getting loan sanctioned and ownership pattern of bank.
15. In the study, when the respondents were asked to rank the level of satisfaction towards features of loan based on the amount of loan sanctioned, period of loan, security for the loan, rate of interest, formality to avail loan, statutory norms, processing time and other features have been selected as the features of loan. Most of the respondents reveal that the amount of loan sanctioned has been the most influencing feature of loans for the sample respondents with an average score of 3.83. The features of loan like rate of interest, formality to avail loan, processing time, statutory norms and other features have been considered to be least influencing.

16. It is found from the analysis that out of 500 respondents, the majority of respondents (266) used banking services as and when needed. About 395 sample respondents out of 500 respondents stated that they were aware of cash withdrawal facility in ATM and they have been using the same. 374 respondents out of total sample respondents mentioned that they were aware and use balance enquiry and more than a half (282 respondents) aware and use the mini statement. It denotes that frequency of utilization of retail banking services has influenced the awareness on balance enquiry facility, cash withdrawal and ministatement. It is also revealed from the analysis that a greater proportion of 280 out of 500 respondents were not aware of cheque deposit facility, 296 out of 500 respondents were not aware of cash deposit facility, 319 among the total respondents were not aware of the facilities of transfer of funds, 334 out of 500 respondents were not aware about the cheque book request facility in ATM. 13 out of 500 respondents, 7 out of 500 respondents and 6 out 500 respondents were aware and use the
facilities of ATM such as cheque status enquiry, stop payment request and bill payment presentment respectively. It is thus concluded that there is a significant relationship between frequency of operation and awareness on various retail banking facilities in ATM.

17. From Garrett’s Ranking technique, it is found that convenient bank location (rank I), safety locker facility (rank II) and safety measures have been the most important facilities which have been expected by the bank customers while others have been given least importance by the bank customers.

18. According to Garrett’s Ranking Technique, it is concluded that bank customers have give least importance to the e-banking facilities like electronic clearing service (42.80 percent) and usage of computers and other modern technology (43.65 percent). While facilities like ATM facility (61.81 percent) and credit card/debit card facility (51.35 percent) have attracted the customers more than other facilities.

19. Perception of respondents towards employees’ behavior on banking services are good in private sector banks when compared to nationalized banks. But it is moderate in nationalized banks.

20. On the basis of ANOVA it is clearly observed that there is a significant relationship between frequency of operations and opinion of customers towards service charges while factors like ownership pattern of bank, period of customership and type of account are correlated with the service charges.

21. From the analysis it is noted that factors like gender and size of family have no significant relationship with their level of awareness on retail banking
services. Whereas other factors such as age, marital status, educational qualification, occupation, monthly income, ownership pattern, period of customership and frequency of operation have significant association with their level of awareness on retail banking services.

22. It is clearly observed from the analysis that there is a significant relationship between ownership pattern of bank, age of respondents, monthly income of respondents and their level of satisfaction towards retail banking services, while factors like gender of respondents, marital status, educational qualification, occupation, size of family and period of customers are not significantly related with the level of satisfaction towards retail banking services.

SUGGESTIONS

1. The public sector banks don’t issue cheque book on the day of opening the account as contrary to private sector banks. Therefore, it is suggested that the public sector banks should take initiatives to issue cheque book on the day of opening the accounts.

2. Banks should provide loans at the lower interest rate. The education loans should be given with ease with minimum documentation. The practices followed in issuing education loan should match the policy practices declared by the government.

3. It is found that customers are satisfied with the loan amount and not with features of loan. Thus, it requires that the banks should relax features of loan to curb the cumbersome procedures.
4. Customers generally complain that full knowledge is not provided to them. Therefore, banks should appoint an executive exclusively in every main branch, where utilization of more high-tech services is possible, to guide, explain and make aware of these services to customers who are already using the facilities and those who don’t.

5. On the basis of findings it is suggested that the bank should concentrate to provide facilities like adequacy of space, uninterrupted services rendered and indication of display boards to the customers. The bank employees should be provided with good education on counter operations. So that, they are able to provide quicker services without delay.

6. The technology driven services with hi-tech facilities of electronic fund transfer and electronic mail services should be effectively introduced to the customers. The customers need to be informed about the type of forms used for each transaction and to make enquiries and to redress their complaints. Training programmes should be devised for all the staff in such a way that the staff and customers relationship to be improved through communication skill to be imparted in such training programmes.

7. A specific and appropriate programme is to be formulated and introduced to educate the households, agriculture customers, illiterate customers and aged persons about how to use the retail banking services.

8. From the study, it is understood that the banks have not given any importance for the space in the banks. The space for movement, writing, waiting queries is to be provided adequately and properly.
9. It is suggested that customers should be educated through specific interactions, Audio and Video Programmes in local languages regarding the information about how various Retail Banking Services are rendered and used to spread awareness and persuade the customers of the remote villages.

10. The banks need to improve their retail banking business through ATM service by increasing their withdrawal limit, new ATM locations and issuing debit cards promptly. It is also suggested that Banks should take the ATMs to rural areas so as to increase their services to the village people.

11. The customers should be encouraged by the way of rewards, prizes, etc., for using more and more Retail Banking Services.

12. The banks that offer Retail Banking Services should design the advertising campaign by taking into account the customer opinion on Retail Banking Services as environmental friendly and faithful to the other customers who are not aware of the Retail Banking Services.

13. The Banks should improve the quality of the Retail Banking Services that will attract the other customers of the banks too.

14. Banks should allow the existing facilities to sink into the culture of the customers before any new facilities are launched. Also, the existing facilities should be embedded with services so that customers not only appreciate new technology, but are also in a position to operate.

15. The banks require hiring right kind of people, with adequate knowledge of Retail banking services especially at banks call centers. The marketing
personnel selected by direct sales executives of banks should be fully qualified, in terms of education, retail product knowledge, communication skills etc., and they are well versed with local language.

16. It is necessary for banks to motivate customers by satisfying them through well organized efforts, especially by providing confidence that the working and products of retail banking are highly useful for the customers.

17. In order to have confidence of customers, the banks have to consciously cultivate the habit of treating their customer as king. This would include provision of more and more customized services that are tailor-made to suit their individual needs.

18. The more products that a customer has with the bank, the cheaper it is to serve them per product, and it is more difficult for the customer to switch to another bank. Therefore the bankers should diversify their services to provide more products to the customers.

19. The banks by using modern high – tech telecommunications should introduce new ways for consumers to access their account balances, transfer of funds, pay bills, and buy goods and services without using cash, mailing a check, or leaving home.

20. In order to win the confidence and support of the customers, the banks should ensure the personal safety of customers while utilizing the services provided by the bank. This includes the maintenance of confidentiality about the customer information and his/her account details etc.
21. The banks must get customers’ feedback. This is not only beneficial to the customers but also to the bank with valuable information for improvements and future development on retail service.

22. Banks need to develop their Retail services so that their service will not be out of date and thus avoid customer choose other banks’ services which are better developed and modern. Banks need to recognize the potential of new innovation and utilize them, besides implementing new innovations, it is important that banks also develop their services and to personalize even further in order to satisfy their customers. The banks have to meet the needs of customers and continuously improve their ability to do so.

23. In case of opening bank account or accessing any banking transaction, biometric system may be introduced.

24. There may be chances for submitting duplicate Identity card and fake photos while opening bank account. In order to overcome these issues, photos and signatures may be taken at the time of account opening in the bank itself as the system which is followed in Regional transport office and Election office.

25. In order to verify the authenticity of photo and Identity card banks may be permitted to access central server data base.

**CONCLUSION**

Retail banking is the fastest growing sector of the banking industry by attending directly the needs of the end customers. It faces a lot of competition ever since financial sector reforms were started in the country. The study has tried to
find out the customers’ perception, awareness and satisfaction of customers regarding the various retail banking services in Salem district.

Since retail banking services are customer oriented, banks should orient their services customer friendly. This will make the customer relationship management easier and more effective. The banks should provide their retail services as simply as possible so that the difficulties faced by them and customers are not only minimized but also overcome. It has enabled the researcher to give some practical solutions to the problems faced by the customers.

**SCOPE FOR FUTURE RESEARCH**

The present study is related to finding out the customers’ perception, awareness and satisfaction towards retail banking services in Salem district. The findings and suggestions of the present study are useful to all banks in Salem district. The researcher has suggested the following phases for the further study.

Customers’ perception, awareness and satisfaction towards retail banking services rendered by public sector and private sector banks – A comparison.

A study may be conducted on the impact of Liberalization, Privatization and Globalization on retail banking services rendered by banks in Salem district.

An indebth study in customers’ perception, awareness and satisfaction towards retail banking services offered by either public sector or private sector banks.