Chapter-VII

Summary of Findings & Suggestions
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This chapter presents the summary of findings of the present enquiry and incorporates suggestions to enhance Quality Customer Service in Select Public Sector Banks. The results of the analysis may serve as recommendations for Banking Institutions to identify areas of weakness or those that need improvement in bridging the gap between the expectations of the customers and what is being offered to them. In addition, suggestions for further Research in this area are appended.

1. **Summary of Findings:** This section deals with the summary of conclusions arrived at in this study.

1.1. **Customer Service:**

The Banking business is becoming more and more complex as a result of liberalization and globalization. With aggressive marketing strategies for generating business opportunities, Banks have developed innovative products, keeping in view the needs of different classes of individual customers. Considering the present day competition, new
private Banks are becoming more conscious of day-to-day needs of the customers. Customer services provided by the Public Sector Banks changed after the entry of private sector Banks, because people are considering customer service as one of the most important factors for selecting a particular Bank. The Banking Industry in today's scenario has transformed itself into a buyers' market, where the customers have a choice to select one from many.

Banking is a sector of the World Economy in which radical changes have taken place in the past few decades. The terms of 'Operation' and 'Performance of Banking Institutions' have changed significantly. Globalization of international markets and the appearance of new leading parties (through strategic financial alliances and Bank mergers and acquisitions) are both the result of Technological developments and the loosening of administrative and monetary interventions, and have led to stronger competition and the risk of reducing market shares for each Banking Institution.

1.2 Research Methodology: Realising the importance of Quality Customer service for the successful functioning of Banking sector, a modest attempt is made in the present enquiry to know how best these Banks are capable of leveraging their human capital potential, capabilities with the services they offer to the customers. Research indicates that the attributes of service quality evaluations are connected with either interaction or tangibles, but Banking Institutions need more concrete attributes to measure and manage their Service Quality. The present Research is a multidimensional endeavor of Quality Customer-service rendered to the public by the select Public Sector Banks; perceptions of respondents on Quality Customer service with different income levels; perceptions of respondents on Quality Customer service with different Occupations; perceptions of respondents on Quality Customer service within four districts of study area; impact of advertisements related to new products/services offered by the Select Public Sector Banks; ratings for the various amenities
provided at the premises of Select Public Sector Banks in the study area and preference of Internet Banking Vs General Banking.

The data for the present study is collected from the primary sources. Primary data is collected through a structured questionnaire is specially designed for this purpose. This includes Biography, Perceptions of Respondents on Quality Customer Service ratings for different attributes, preference of General Banking Vs Internet Banking, ratings for the basic amenities, ratings for Customer Relationship Management, opinion on Impact of advertisements on the new products/services and overall satisfaction ratings for the Select Public Sector Banks. Quality Customer Service is used to elicit opinion on the level of satisfaction among the respondents. It assesses 18 facets of the Quality Customer Service attributes as well as satisfaction. Each of the 18 facets of Quality Customer Service ratings is scored by combining responses to five items, which amounts to a total number of 90 items. The responses of the respondents are recorded on a ‘five point’ for each attribute.

1.3 Gender-wise: Gender has always been a distinguishing variable in customer behaviour. Much of the change in sex roles has come about because of the amperage in the number of working women in recent years. Of the 480 respondents, the distributions of sample by gender wise are, 82per cent of the respondents are males and 18per cent of the respondents are females. Males are paying attention to process time of transaction and availability of Technology, while selecting a particular Bank females are paying more attention to customer service and easy accessibility.

1.4 Marital status: Traditionally, the family has been the focus of most marketing efforts and for the products and services, the household continues to be the relevant consuming unit of services. Banking Institutions are interested in the number and kind of households that invest or save in various forms of Investments. Peoples’ needs and savings pattern also change with their marital status. In its entirety out of the total 480 respondents, 60per cent of
the respondents are married and 40 per cent are unmarried. Generally the savings of married persons are more when compared to unmarried individuals.

1.5 Educational Qualifications: Education influences customers in two ways. Firstly, educated customers tend to make informed decisions about services. Secondly, education alerts people what they want and appreciate. There is a direct relationship between education level, customer-awareness and investment behaviours of the customer. Higher the education, easier it would be for the customer to understand marketing conditions. In its entirety, 43 per cent of the respondents are Graduates as qualification, 14 per cent of the respondents possess Professional qualifications, 10 per cent of the respondents are having SSC as qualification, followed by 18 per cent and 12 per cent of the respondents are having Post-Graduation & Intermediate as educational qualification respectively.

1.6 Age-wise classification of Respondents: Customers belonging to younger age groups, with high educational qualifications, who use new technologies, appear to be more satisfied by their Banks. Only those Banking Institutions that know the target customer base for their products and services will be able to achieve significantly better results, provided they use the proper channels to promote them. In the study area by age groups, 37 per cent of the respondents belong to the age group between 25 years to 35 years, 33 per cent of the respondents belong to the age group below 25 years, 19 per cent of the respondents belong to the age group between 35 years to 45 years, 7 per cent of the respondents belong to the age group between 45 years to 55 years and 4 per cent of the respondents belong to the age group of above 55 years. People in the age group of less than 25 years are more concerned about process time of transaction and Technology, whereas people in the age group of 25 years to 45 years are more concerned about the process time of transaction and easy accessibility.
1.7 Co-relation of Quality Customer Service

The relationship between age and Quality Customer service is significant at the aggregate level. The relationship between gender and Quality Customer service is significant at the aggregate level. The relationship between marital status and Quality Customer service is significant at the aggregate level. There is no significant association between Banks and the different districts perceptions on Quality Customer service. The Quality Customer Service in all the districts is almost same with the Select Public Sector Banks. An analysis of the relationship between levels of income and Quality Customer Service indicates that the share of satisfaction in more in the lower income levels when compared to the higher income levels. The Quality Customer service is dependent on the qualification in the Select Public Sector Banks. Another dimension, i.e., the impact of professional qualification on Quality Customer service shows the share of satisfactory levels across the different levels. An analysis of relationship between different Occupation levels and Quality Customer Service indicates that the share of satisfied Customers are more for the student and other levels when compared with the business men, employees and the professionals.

1.8 Perceptions of Respondents as per Income Level:

The customer orientation of the Banking sector has significantly increased in recent times. The introduction of a variety of new products and services with emphasis on quality of service clearly indicates how Banks address the issue of customer needs and requirements through a customer-centric approach. The classification of respondents as per income levels, 19 per cent of the respondents are below Rs.5,000 income level, 38 per cent of the respondents are between the income group of Rs. 5,000 – Rs. 10,000 and 25 per cent are between the income group of Rs. 10,000 – Rs. 15,000, 11 per cent of the respondents are in the income group of Rs.15,000 – Rs. 20,000 & 8 per cent in the income group of Rs.20,000 & above. Perceptions of Respondents as per Income level below Rs.5,000, there are also many satisfied
customers who consider that Banking products and services offered do not cover their needs and, therefore, need to be approached differently by Banks, in order to be able to meet their personalised needs. The respondents have rated for 15 per cent towards excellent, 32 per cent have rated good and 32 per cent satisfactory for the Quality Customer service with respect to the Rayalaseema region. For Income level Rs.5,000 to Rs.10,000 have rated 12 per cent excellent, 26 per cent have rated good and 35 per cent have rated satisfactory for the Quality Customer service of Select Public Sector Banks with respect to the Rayalaseema region.

Given the rapid growth of competition among Banks, customers will always be on the lookout for those Banks that cater to their needs in the best possible way. The more ready a Bank is to determine and satisfy these needs by often informing the clients in advance on what it can offer, the more loyal its customers will become. The respondents in the Income level Rs.10,000 to Rs.15,000, have rated 10 per cent excellent, 21 per cent have rated good and 36 per cent have rated satisfactory for the Quality Customer service of Select Public Sector Banks with respect to the Rayalaseema region. The respondents in the Income level Rs.15,000 to Rs.20,000 have rated 9 per cent excellent, 22 per cent have rated good, 34 per cent have rated satisfactory & 20 per cent have rated for poor for the Quality Customer service of Select Public Sector Banks with respect to the Rayalaseema region.

Serving a client is different than selling a tangible product to customers. The need of the hour is to build up competitiveness through enhanced service quality thus making the Banks more market-oriented and customer-friendly. The respondents in the Income level Rs.20,000 and above have rated 8 per cent excellent, 19 per cent have rated good, 32 per cent have rated satisfactory & 22 per cent have rated poor for the Quality Customer service of Select Public Sector Banks with respect to the Rayalaseema region indicate that the respondents with higher income levels have rated for good, satisfactory & poor more than by the other income groups. So, the Banks need to concentrate more on these higher income
levels and provide better Customer Service as they are normally ranked as High Networth Clients by the Banks.

1.9 Perceptions of respondents as per Occupation level: Occupation also determines the customer behaviour. People's lifestyle and attitude depend on their occupations. In the study, 32per cent of the respondents are having business as occupation, 10per cent of the respondents are Professionals, 4per cent are others, 26per cent and 28per cent of the respondents are employees and students respectively. Service is "experienced" by the customers, and it touches their lives everyday, and in many cases every moment. Banking which was restricted to a handful of people a few years ago, has spread to every street, with a private / Public Sector Bank offering convenience and innumerable facilities to customers. The respondents in the group of Students have rated 15per cent excellent, 28per cent good and 33per cent satisfactory for the Quality Customer service with respect to Select Public Sector Banks. The respondents in the group of Businessmen have rated 9per cent excellent, 25per cent good, 34per cent satisfactory & 21per cent poor for the Quality Customer service with respect to Select Public Sector Banks. The respondents in the group of Employees have rated 11per cent excellent, 21per cent good, 35per cent satisfactory & 23per cent poor for the Quality Customer service with respect to Select Public Sector Banks. The respondents in the group Professionals have rated 12per cent excellent, 23per cent good, 34per cent satisfactory & 19per cent poor for the Quality Customer service with respect to Select Public Sector Banks. The respondents in the group Others have rated 14per cent excellent, 27per cent good, 33per cent satisfactory & 16per cent poor for the Quality Customer service with respect to Select Public Sector Banks. Innovative strategies for distributing and delivering services ensure a better competitive advantage over rivals and can give a service provider the edge to get ahead of the competition. Maximum portion of satisfaction with the respondents is in the occupation group of students and others when compared to the businessmen, Employees and
Professionals. These un-satisfied customers require more attention and better Customer Quality service, when compared to students and others.

1.10 Preference of utilisation of Internet Banking Vs General Banking: The choice between "speed" or "Smiles" remains an issue in service re-design. But the real challenge is how to make Banking service fast and customer-friendly. A mixture of high Technology and High Touch Service will exist in the service market. At any point of time, we will have a few customers who need to be handled and taken care of, while the rest can be managed through indirect service modes viz. IVRs (Interactive Voice Responses). The respondents in the Rayalaseema region, 57per cent prefer General Banking and 43per cent prefer Internet Banking. As more and more customers are converting into the usage of Internet Banking, the remaining limited customer base are to be concentrated more, who visit the Banks frequently for General Banking Services with least effort.

1.11 Ratings of Respondents for Amenities provided in the Select Public Sector Banks: Bank will continue to dominate in the service industry and the same will require strong service strategy, better technologies and better people. The service strategy/process should be flexible to acquire, serve and retain the customers. In the long run, it's way a company serves its customers that makes the difference. In the study, 30per cent of the respondents of Andhra Bank have rated good, 34per cent have rated satisfactory & 16per cent have rated poor for the various amenities provided at the premises of the Andhra Bank in the Rayalaseema region. In the study, 15per cent of the respondents have rated excellent for the amenities provided at the premises of State Bank of India, 45per cent have rated good & 24per cent have rated satisfactory the State Bank of India in the Rayalaseema region. In the study, 26per cent of the respondents have rated good, 32per cent have rated satisfactory, 20per cent have rated poor for the various amenities provided at the premises of Corporation Bank in the Rayalaseema region. In the study, 11per cent have rated excellent, 36per cent have
rated good and 33 per cent have rated satisfactory for the various amenities provided at the premises of Syndicate Bank in the Rayalaseema region. Customers' delight is boundless, and every day a new way of delighting the customers can be developed to make the services marketing an exciting field. It's not what we have to offer, but what and how the market will accept the same is the key to the success of any Industry. So, even the amenities provided to the customers must also be watched carefully and should be given utmost importance for them also.

1.12 Perceptions of Respondents on Quality Customer Service ratings – Bank-wise:

Success in services marketing can be achieved only through an integrated operation of the entire organization and customers, guided by a strong service strategy. Every function should understand and anticipate customers' expectations, and work together. In the study, 12 per cent have rated excellent, 28 per cent of the respondents have rated good, 31 per cent have rated satisfactory and 16 per cent have rated poor towards the Quality Customer Service with respect to State Bank of India. In the study, 12 per cent have rated excellent, 25 per cent of the respondents have rated good, 33 per cent have rated satisfactory and 16 per cent have rated poor towards the Quality Customer service with respect to Andhra Bank. In the study, 13 per cent have rated excellent, 24 per cent of the respondents have rated good, 34 per cent have rated satisfactory and 18 per cent have rated poor towards the Quality Customer service with respect to Corporation Bank. Caring and personalised attention to customers will play a dominant role in removing the gaps, as customers do not want to be treated as another complainant, but as an individual with a unique complaint. In the study, 12 per cent have rated excellent, 24 per cent have rated good, 34 per cent have rated satisfactory and 17 per cent have rated poor towards the Quality Customer Service with respect to Syndicate Bank.

Once an organization develops a strong set of people and Technology to provide seamless service experience to customers, the same becomes a competitive advantage for the
firms. There are also many satisfied customers who consider that Banking products and services offered do not cover their needs and, therefore, need to be approached differently by Banks, in order to be able to meet their personalised needs.

2. REASONS FOR DISSATISFACTION IN PUBLIC SECTOR BANKS:

✓ Behaviour and attitude of the staff in the Public Sector Banks is the first reason of customer dissatisfaction.

✓ Time consumed to process the transaction is the second major reason for customer dissatisfaction.

✓ Many of the services are not provided properly by the Public Sector Banks, when compared with the Private sector Banks viz. Phone Banking.

✓ Internet Banking and Mobile Banking is not provided by many of the Public Sector Banks now-a-days.

✓ Continuous services are not provided by ATM machines installed by various Public Sector Banks.

✓ Delay in Loan Application processing due to non-cooperation nature of the staff members the Banks.

3. SUGGESTIONS: In the light of findings arrived at the present enquiry, the following suggestions are made to enhance the Quality Customer Service by the Public Sector Banks to be in competitive edge with Private and Foreign Banks. The service industry is set to dominate the Indian Banking Economy, and its contribution will grow more than 70 per cent of the GDP, like it has been witnessed in the USA and the European countries. This means, higher opportunities for work force in service and better customer service standards in all areas. Public Sector Banks, which have large portfolios in terms of business and employment, are in various stages of migrating to new systems. As a matter of fact, this new strategic
system may generally be identified with "Core Banking" aided by ATM Networks and other E-Processes.

3.1 Improvement of Human Resource System

A major Challenge to the Banking sector is to build up appropriate skills in an environment that fosters creativity, learning and efficiency. The success of the Organisation lies in how efficiently the Organisation manages the human resources. The staff should be adequately trained to deal with the customers on one-to-one basis. Staff should be adequately trained to encourage face-to-face dealing. Staff should be customer-friendly and approachable. There should be evolution in the Public Sector Banks organisational strategies. The management should involve the Unions and the Staff as much as possible, as it lowers the resistance to any new ideas and increases idea generation and commitment. Investment in people and their development is critical for the success of services marketing. Ambience in the workplace should be more aesthetic like, playing light music to make the environment more soothing and pleasant. Simple things like good canteen, transportation etc., can go a long way in improving the employees' job satisfaction. Team building exercises, cultural programs, picnics and events encouraging social inter-action should be organised very often. Implementation of the aforesaid measures would certainly improve the job satisfaction, motivation and morale among the employees.

3.2 Infrastructure Facilities

Banks especially Public Sector Banks need to improve the physical infrastructure particularly, maintaining the ergonomic standards in terms of design and lay out with a view to optimise safety, health, comfort and efficiency. Ergonomics of the furniture, user-friendly computers, right air-conditioning and amount of light, height of roof, space around the work
area etc. are the factors that contribute to improve the productivity of an individual. Every branch of a Bank should provide sufficient and proper parking, seating arrangement, water and sanitary facilities. Many Public Sector Banks need to revive their infrastructure to have pace with the competing environment. Bank will continue to dominate in the service industry and the same will require strong service strategy, better technologies and better people.

3.3 Convenient Accessibility of E-Channels

The Banks should make the ATMs and other E-channels accessible, convenient and secure from information loss by increasing the number of ATMs. Mobile ATMs should be started as these are time-saving and more popular these days. ATMs, Credit Cards and Internet Banking are preferred most by the customers due to short of time, cost utility and efficient services. So the Banks should make efforts by arranging demo-fares or provide information to the customers at counters to make the channels popular and easier to understand. The Banks should make the area of E-delivery channels wider by providing the facility of draft making, mega-size withdrawals and deposits and even provide loans to the customers. This will further strengthen the popularity of these channels and help to earn more income by way of more charges on mega-size deposits and withdrawals. Service sector industries have benefitted immensely from the ability of technology to reduce cost of delivery and increase outreach. In the competitive environment, Technology has emerged as a key differentiator among Banks and has become the nerve centre of every Banking operation. Technology has broadened its role from just supporting back-office and accounting functions to being the principal interface or delivery channel for serving customers. The ATM, Internet Banking, Electronic Fund Transfer, Centralized Database solutions and Biometric Cards are all testament to the scope of IT to facilitate the goal of Universal Banking.
3.4 Rural and Semi-Urban Sector

More than 60% of the Indian population reside in the rural areas. Therefore, it is the need of the hour to capture this market through E-delivery channels. Hence, Banks should make E-delivery channels popular in the rural and semi-urban areas with some practical and effective strategies. The rural sector's dependence on the use of cash for transactions is still very high. Hence, a functional need for financial institutions in serving these customers is cash disbursement and cash acceptance. In order to meet this need, some Banks have collaborated with IIT Chennai to work on developing low-cost ATMs with innovative features, such as Biometric Authentication and acceptance of old currency, keeping the needs of the rural customer in mind. To make the process user-friendly, primary mode of authentication is being designed to be Biometric-based, rather than PIN-based. A customer will then be able to use his/her fingerprint to authenticate a transaction. The introduction of biometric identity card is revolutionary as it is a highly effective instrument that can help to overcome problems of information asymmetry, a concern especially in rural areas. A biometric (fingerprint) enabled multi-application hybrid card contains all the necessary demographic information to allow Banks to extend services to the rural customer. The card is a unique, portable, personal object that easily combines secure identification and authentication functions for both the physical and the digital worlds. As the most secure and reliable form of electronic identification, Biometric Cards acts as the card holder's access key to information and services in both on and off-line modes. With the ability to store, protect and modify information encoded in the card's microchip, Biometric Cards offer unparalleled flexibility and options for information sharing and transfer. The card's dynamic ability to communicate with information systems expedites traditionally lengthy identification processes, while streamlining operations and thereby reducing costs.
3.5 Popularity of E-Channels

Services like Internet Banking and personalised cheque books, loan proposals, evaluation within stipulated period using processing centres and Bank offices, special teams to sell customised products to high net-worth clients and introducing cutting-edge Technology are required for the Public Sector Banks. A mixture of high Technology and high touch service will exist in the service market. At any point of time, we will have a few customers who need to be handled and taken care of, while the rest can be managed through indirect service modes viz. IVRs (Interactive Voice Responses). Posters of the existing schemes should also be displayed at the appropriate places. Physical Banks will co-exist with ATMs, Net Banking and shopping will continue despite Home-delivery.

3.6 Transparency: The Banks should disclose the full information regarding service charges, service tax, interest, penalty, if any, etc., to the customers to win their confidence. Many of the services need improvement in Public Sector Banks viz. ATM. Clearly defined customer policy should be adopted by the Banks.

3.7 Publicity-Customer Awareness: Awareness about Public Sector Banks in Retail Banking, relating to its products and services are very low now-a-days. Hence a series of brand new campaigns are required to spread awareness. Customers’ needs should be anticipated in advance so that they can be helped out in a better way.

3.8 Customer Services: The service strategy/process should be flexible to acquire, serve and retain the customers, keeping in mind the diversity of customers. In the long run, it’s way a company serves its customers that makes the difference. Treat your customers like your friends and they will always come back. It’s not what we have to offer, but what and how the
market will accept the same is the key to the success of Technology. The use of Technology should be based on the readiness of the customers and employees to adopt which will ensure faster adoption and use.

3.9 Doorstep Banking

Doorstep Banking offers a great convenience to customers who find it difficult to go to Banks due to their tight schedules. Big corporations, that have to make many Bank transactions in a day, will also find it as a viable route to take advantage of this facility. Petrol pumps and gas agencies which receive lot of cash on a daily basis can effectively make use of doorstep Banking. The security vans which are used for this service are insured and hence offer the necessary security to the customers. Since Bankers certify in writing that they will take responsibility of the actions of their agents, customers can be rest assured that their money is safe. As there are the opportunities galore in this space, Banks of all sizes are joining the bandwagon of providing doorstep services to their customers. Though traditionally, all the Banking transactions were done only in the Bank premises, the Banking system has come a long way now by offering many innovative services like the ATM, Mobile Banking, Internet Banking, etc. In a similar way, this move to offer doorstep Banking is also poised to take the Banking industry another step forward. And, as with any new service, comes increased customer satisfaction, which translates to a broad client base and keeps business rolling. With increasing competition in the retail arena, doorstep Banking is gaining popularity with both the Bankers as well as the customers.

Lastly, success in sevices marketing can be achieved only through an intergrated operation of the entire organization and customers, guided by a strong service strategy. Every function should be understood and anticipate customers’ expectations, and work together to deliver, by using the latest Technology.
4. **Further Studies**: Last but not the least, this study raises number of questions, which can be highlighted in further Research. Firstly, it would be interesting, in further Research, to correlate the perceptions of services in terms of customer-satisfaction from the private Banks and that of other Public Sector Banks in the Rayalaseema Region. Further, the study conducted in the four Public Sector Banks, limits its applicability to wider Banks and population. Hence, this study can be replicated in other areas of Andhra Pradesh or in other parts of India. Secondly, present study evaluates the Quality Customer Service to the variables, Income and Occupation only. The study can be extended to the other demographic variables, viz. age, gender, marital status, etc. Finally, in the other area of E-Banking, per transaction cost in traditional Banking and in E-Banking system, Quality of E-Banking services in the rural and semi-urban areas, Comparative study of quality of services of the entire Indian Bank groups and even at Bank level and feasibility of E-shopping in the rural and semi-urban areas.