7.1 INTRODUCTION

The contours of banking business have been changing across the globe and the rippling effects of the same can be expressed seen the Indian banking sector as well. The process of liberalization, privatization, globalization and deregulation had opened new vistas for banks to increase their revenues by diversifying into universal banking, investment banking, bank assurance, mortgage financing, depository services, securitization, personal banking and the like. An inevitable result of globalization is that it increases the soundness of financial system as a whole and facilitates global competition.

To survive in this competition, the information and communication technology significantly contributed to the exponential growth and profit of financial institutions worldwide. Technology is the key to move towards providing integrated banking services to customers. Customers are not homogeneous and so their behavioral pattern, attitude, needs and expectations are different. Today banks have become part and parcel of our life. There was a time when the dwellers of city alone could enjoy their services. Now banks offer access to even a common man and their activities extend to areas higher to untouched.

7.2 FINDINGS
7.2.1 GROWTH OF PUBLIC SECTOR BANKS IN INDIA

- State Bank India is the prime bank so it has more number of branches as well as more number of ATMs when we compare with other nationalized banks.

- The growth rate of public sector bank branches shows a fluctuating trend. The highest growth was 8.70 per cent in 2013 and the lowest was 0.64 per cent in 2004-2005.

- The maximum increase in deposits was registered as 26.85 per cent in 2009 and the lowest was 14.12 per cent in 2006.

- The highest increase was 34.07 per cent in 2005 and the lowest was 15.36 per cent in 2013 in the loans and advances.

- The growth rate of income in shows a fluctuating trend. The highest rise was 30.14 per cent in 2008 and the lowest was 3.8 per cent in 2005.

- The growth rate of expenditure showed a fluctuating trend. The maximum increase was seen as 33.26 per cent in 2008 and the lowest was recorded as 6.02 per cent in 2005.

- The growth rate of profit shows a fluctuating trend. The maximum rise was seen as 33.75 per cent in 2013 and the lowest was −1.71 per cent in 2004.

- The growth rate of net profit in India shows a fluctuating trend. The maximum increase was 34.37 per cent in 2008 and the lowest was −5.98 per cent in 2005.
The growth rate of capital showed a fluctuating trend. The maximum increase was 24.55 per cent in 2013 and the lowest was –20.75 per cent in 2006.

Total number of branches functioning, public sector banks top the list with 58.70 per cent followed by private sector banks with 31.16 per cent in Theni District.

Among the various public sector banks in the study area, the Canara Bank has the highest number of 21 branches and also ranks first in the total number of 81 branches.

The growth of advances had registered nearly seven fold increase.

7.2.2 Demographic Factors

It is inferred from the analysis that majority of the respondents 269(67.25) percent were males, belonged to the age group of 36 years-45 years (38.75 per cent). Only 16(4) percent customers are in the age group of above 56 years. Majority of them were married and most of them had at least school level education. They were mostly in business and were having a nuclear family. One third of the respondents had a family size of three members and the maximum number of them had an income of ₹10,001-₹15,000. It was seen that that majority of the respondents were (76.75 per cent) having savings account and 52(13 per cent) were holding current account. 117(29.25 per cent) were customers for 5-10 years. Only 20(5) per cent were customers for less than one year.
Majority of them had accounts in other banks also. Most of them had opened an account in a bank need for savings account purposes. A sizeable n of them visited the banks once in a month to withdraw cash. Majority of them had preferred to open an account in a bank because of necessity.

Majority of the respondents had opened their bank accounts in banks from their personal knowledge. More than fifty per cent of the respondents viewed that it took atleast 5 to 10 minutes for depositing cash in banks. Majority of the respondents felt that the time taken for withdrawal of cash in banks was less than ten minutes. More than fifty per cent of the respondents were of the opinion that it took atleast two days to credit a local cheque in their account. Majority of the respondents were of the view that it took atleast 2 to 4 days for crediting outstation cheques in their accounts. Majority of the respondents had availed of the ATM facility in the banks. Majority of the respondents got the ATM facility within one week in the banks. Majority of the respondents had used the ATM as and when required. According to Garret Ranking scores the highest score is awarded to factor “necessity” followed by “convenience the least score is awarded to proximity.

7.2.3 Awareness of Customer Services by Public Sector Banks

Among the five services, provided by the banks to the customers loan services got the highest weighted average score followed by technology services.
7.2.3.1 Analysis of Opinion about Awareness on services rendered by Public Sector Banks

In the study area the customers who are males, above 35 years of age, married, having educational qualification above HSC, were government and private sector employees, hailing from joint family, their size of the family being above four members and their monthly income is above ₹ 15,000 had the higher awareness regarding the loans, deposit, technology, agency and miscellaneous services of the public sector banks.

7.2.3.2 Opinion about Awareness on Deposit Services

The male customers, above 35 years of age, married, having educational qualification of above HSC, government and private sector employees, coming from joint families, their size of the family being above four members and their monthly income above ₹ 15,000 had higher awareness regarding the deposit services.

7.2.3.3 Opinion about Awareness on Technology Services

The males customers above 35 years of age, married, having educational qualification of above HSC, were governments and private sector employees, coming from joint families, their size of the family being above four members and monthly income above ₹ 15,000 had higher awareness regarding on technology services.

7.2.3.4 Opinion about Awareness on Agency Services
The male customers above 35 years of age, married, having educational qualification above HSC, being governments and private sector employees, belonging to joint families, having a family size of above four members and whose monthly income was above ₹15,000 had higher awareness regarding the online agency services.

7.2.3.5 Opinion about Awareness on Miscellaneous Services

The customers who are male respondents, above 35 years of age, married, whose educational qualification was above HSC, being governments and private sector employees, belonging to joint family, their family size being above four members and monthly income above ₹15,000 had higher awareness regarding the miscellaneous services.

7.2.4 Awareness of Customer Services

On the basis of mean score calculated for the awareness of customer services the loans services got the first rank followed by the technology, agency, deposit and miscellaneous services in public sector banks.

7.2.5 Customer Awareness on the banking facilities-Chi-square Test

It was seen that there was no significant relationship between gender, age, marital status, educational level, employment status, type of family, size of family, monthly income and the level of awareness on banking facilities of the customers of the public sector banks.
7.2.6 Perceptions, Expectations and Service Quality Gap

The analysis of data on the customers’ perception and expectation of the service quality gap on dimensions showed that the perceived level dimension on reliability scored the highest average. Regarding desired level the dimension on accessibility had the highest average score. The service quality gap was estimated as the highest in the case of the dimension on empathy factor.

7.2.7 Perceived Level-Individual Factor Wise- for all Dimensions

In the case of tangibility dimension the factor on “availability of slips and forms, brochures and pamphlets” constituted the highest average score, while the factor on “banks have sufficient sitting place in front of the counters” constituted the highest coefficient of variation. For the reliability dimension, the factor on “uniform level of service at all times” constituted the highest score. In terms of responsiveness dimension the factor on “interest and willingness of the bank staff to help the customers” had obtained the highest score. In terms of assurance dimension, the factor “providing information on government pricing policies to their customers” had secured the highest score. In terms of empathy factor, “staff’s polite approach with customers”, recorded the highest score while the factor on “banks premises are very most and clean’ had got the got the highest coefficient of variation.

7.2.8 Desired Level- Individual Factor Wise for All Dimensions
On the desired level service quality, on the factor tangibility the individual factor on “sign boards indicating of timings at appropriate counters” constituted the highest average, while the factor “banks have sufficient sitting place in front of counters” had the highest coefficient of variation. For the reliability dimension, the factor “uniform level of service at all times” had secured the highest score. In terms of responsiveness dimension the factor “grievance care and the follow up action” had secured the highest score. In terms of assurance dimension, the factor “Providing information on government pricing policies to their customers” had obtained the highest score. In terms of empathy, “banks premises are very most and clean” recorded the highest score while the factor “understanding the specific needs of customers’ empathy” got the highest coefficient of variation.

7.2.9 Service Quality Gap –Individual Factor Wise for all Dimensions

On the dimension of tangibility the factor on “availability of slips and forms, brochures and pamphlets” on reliability the factor “uniform level of services at all times”, on responsiveness the factor “interest and willingness of the bank staff to help the customer”, on assurance, the factor “continuous service during business hours” and “providing information on government pricing policies to their customers” and “staff’s skill in computer technology” , on empathy the factor “staff’s polite approach with customers” had recorded the lowest gap.

7.2.10 Rank Correlation Coefficient
In the case of the tangibility dimension “availability of slips and forms, brochures and pamphlets”, on reliability the factor on “uniform level of service at all times” and in the case of responsiveness the factor “Interest and willingness of the bank staff to help the customers” and on empathy “convenient banking hours” got the lowest rank correlation coefficients.

7.3 SUGGESTIONS

Based on the findings, the present study offers the following suggestions in order to improve the efficiency of the banking services.

❖ Though the banks are increasing manifold, the rate of growth of increase is not satisfactory. In order to cover the overall population of the Theni district, the banks should take the necessary steps to increase the number of customers in Theni District.

❖ Since the facilities and services offered by the banks are not up to the expectation of customers in the study area the banks have to analyze the expectations of the customers consistently, and they have to expand the facilities and services qualitatively and quantitatively.

❖ The banks may provide adequate financial consultancy services to the customers. They may establish online system to provide such information to those who need it. That information system may be connected at the district level through internet.
The banks may strengthen mobile banking services in Theni district in order to satisfy the expectations of the customers.

Since training and orientation are highly essential for the customers to use the internet banking/E-banking system/ATM, the bankers may create a separate wing for this purpose. That wing should provide the necessary training and orientation for the and make them feel comfortable in the use of the internet bank/ATM.

Customers feel that the time taken by them for withdrawal of cash and depositing cash are more than that is prescribed on the notice boards of the banks. Hence necessary arrangements to be made to overcome these difficulties.

The banks have to build a service oriented culture and should define service offering. The concept of customer asset management may be emphasized so that the customers are treated with dignity in relation to bank services.

The topmost priority to the customer needs and preferences, particularly arranging a convenient location and timing of services, is the need of the hour. The development of an effective communication system or formation of a communication mix so as to transmit the right information on the right prospects at the right time should not be delayed.
The banking services are divided into four categories, i.e., internet banking, mobile banking, phone banking and ATM services. About internet banking services, the most common one offered by the banks are balance enquiry and statement and transaction history. All the banks are offering account balance and transaction history services to customers. As many as 97 per cent banks offer transfer fund online and facility of cheque book request.

- Among the other services most of the banks offer simple transaction of e-banking which includes ‘monthly bank account statement by e-mails’, ‘password changing’, ‘bill payment’, ‘online tax payments’, ‘customer correspondence’, and ‘demonstrations of I-banking’. These services are available on almost 70 per cent of the transactional websites of the banks. In order to encourage the customers as well as potential customers, the facility should be provided by all the internet banks. Only 66 per cent banks offer Internet-banking services to the customers.

- The banks also appear to be cautious in using the internet to acquire new customers as only 26 per cent of transactional banks offered ‘loans or deposits online’. The reason being that the banks face difficulty in confirming the identity of new customers. Banks also lag behind in offering more advanced services e.g. ‘share trading’, ‘mobile top up’, ‘online loans’, and ‘convert to EMI’.
It is generally felt that the existing credit squeeze is mostly due to the failure of banks to entice rope in the customers of different groups. The acceleration of deposits would make possible credit expansion. It is essential that the rate of lending is maximized.

Incompetent and demoralized staff cannot render good service. Hence, training becomes important in order to change employees’ attitudes and build up their morale and interpersonal skills.

Motivating the staff and showing that the organization cares and respects the employees is equally important.

Introduction of computers to support customer service is of great value to the organization. It improves efficiency, productivity and the quality of services.

Delegation of appropriate authority to employees who deal with customers so as to enable them to take on-the-spot decisions.

The best way to develop a service strategy is to listen to the customers. Conducting regular customer surveys will improve the services and communication with the customers constantly through press advertisements.

Keeping an eye on the competitors and how they handle their customers and their problems can help the banks to shape the strategy. It may be
necessary for the customers to organize themselves into forums and associations so that their voice is heard.

4 CONCLUSION

The study is a rewarding exercise in the sense that, in addition to identifying the factors which influence the opinion of the customers of the public sector banks, it also brought out the problems encountered by them from various angles. It is not always easy to measure the satisfaction of the customers as the term itself is highly subjective. Various services are to be identified and measured in the order of importance and the availability of such services to the customers is to be measured. Banks should also ensure that customer services do not suffer for want of suitable personnel and sufficient infrastructure in the banks. Since service marketing is customer oriented, banks should enhance their services, customer friendly. This will provide customer relationship management in an efficient and effective manner. Marketing of banking services should be undertaken by the banks in a simple way, to overcome the difficulties faced by the customers. This has helped the study to give certain practical solutions to the problems encountered by the respondents in banks. As banking sector is proving to be highly competitive for the existing as well as emerging banks, every bank should keenly focus on every aspect of the services provided to the customers, if they want to survive in this competitive world. In conclusion, the bank has to keep in mind the mantra that “Customer is the King”.

7.5 SCOPE FOR FURTHER STUDY

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Comprehensive study of Public Sector Banks and Private Sector Banks Customer services in Theni District.

Financial Performance of Public Sector Banks in Theni District.

Employees Opinion on Customer services of Public Sector Banks in Theni District.

Human Relationship Management of public sector banks in the district.

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