5.1 Introduction

This chapter sums up all the findings of the study, suggestions to the banks, customers and conclusion and scope for the future research.

Data was collected from customers who have accounts in public and private sector banks in Tirunelveli District. Consequently, the collected data was analyzed and interpreted in line with the aims of the study on which is to compare the banks in the customers’ perspectives.

5.2 Summary of Findings

5.2.1 General Findings

- It is found that the number of commercial banks in rural area has increased from 31076 banks in 2008 to 39439 banks in 2013. It is further found that number of commercial banks in semi-urban area has increased from 17675 banks in 2008 to 28691 banks in 2013. It shows that in all the areas that is rural, semi-urban, urban and metropolitan banks do not have sufficient bank offices. Even the existing branch offices have been closed down. (Table 1.1)

- It is found that the offices of public sector banks has increased from 55157 in 2008 to 75843 in 2013, the offices of private sector banks has increased from 8363 in 2008 to 16008 in 2013, the offices of all commercial banks has increased from 78901 in 2008 to 109811 in 2013. (Table 1.2)

- It is identified that the offices of public sector banks is high in rural area (24147 banks), the offices of public sector banks in semi-urban area was 19794, the offices of public sector banks in urban area was 16507 and the offices of public sector banks in metropolitan area was 15395. The study reveals that the offices of private sector banks
is high in semi-urban area (5477 banks), the offices of private sector banks in urban area was 4044, the offices of private sector banks in metropolitan area was 4124 and the offices of private sector banks in rural area was 2363. (Table 1.3)

- It is found that the number of savings accounts of SBI and its associates was 1701919 accounts, the number of current accounts of SBI and its associates was 83524 and the number of fixed deposit accounts of SBI and its associates was 89432. The study reveals that the number of savings accounts of nationalized banks was 8181572 accounts, the number of current accounts of nationalized banks was 257943 and the number of fixed deposit accounts of nationalized banks was 569361. (Table 1.4)

- The study reveals that the population per office of scheduled commercial banks in India is high in north eastern region (17482) and the population per office of scheduled banks in India is low in northern region (8766). (Table 1.5)

- It is found that the per capita deposit of scheduled commercial banks in India was high in western region (Rs.121393) and the per capita deposit of scheduled commercial banks in India was low in central region (Rs.27111). (Table 1.6)

- It is found that the deposits per office of scheduled commercial banks in India was high in western region (Rs.1353 million) and the deposits per office of scheduled commercial banks in India was low in central region (Rs.416 million). (Table 1.7)

- It is found that the per capita credit of scheduled commercial banks was high in western region (Rs.102495) and the per capital credit of scheduled commercial banks was low in north eastern region (Rs. 9051). (Table 1.8)

- It is identified that the credit per office of scheduled commercial banks in India was high in western region (Rs.1143) the credit per office of scheduled commercial banks in India was low in north eastern region (Rs.158). (Table 1.9)
5.2.2 Specific Findings

- It is found that the deposits of the Indian Overseas Bank has increased from Rs. 9557200 in 2008-09 to Rs. 17028300 in 2012-13, the deposits of State Bank of India has also increased from Rs.6874249 in 2008-09 to Rs. 12940200 in 2012-13. The deposits of Canara Bank has increased from Rs.7722739 in 2008-09 to Rs.11005024 in 2012-13 and the deposits of Indian bank has increased from Rs.4270463 in 2008-09 to Rs.8730872 in 2012-13. (Table 3.1)

- The study reveals that the advances of the Indian Overseas Bank has increased from Rs. 4088400 in 2008-09 to Rs. 10665100 in 2012-13, the advances of State Bank of India has also increased from Rs. 7231353 in 2008-09 to Rs. 9220500 in 2012-13. The advances of Canara Bank has increased from Rs. 3634821 in 2008-09 to Rs. 6786587 in 2012-13 and the advances of Indian bank has increased from Rs. 3286086 in 2008-09 to Rs. 7134197 in 2012-13. (Table 3.2)

- It is found that the branches opened by Indian Overseas bank has increased from 21 in 2008-09 to 27 branches in 2012-13, the branches opened by Canara bank has increased from 7 to 10 branches and the branches opened by Indian bank has increased from 2 to 3 branches. (Table 3.3)

- It is identified that the branches opened by Indian Overseas bank has increased from 20 in 2008-09 to 23 branches in 2012-13, the branches opened by Canara bank has increased from 11 to 21 branches, the branches opened by Indian bank has increased from 9 to 10 branches and the branches opened by the State Bank of India has increased from 4 to 10 branches in 2012-13. (Table 3.4)

- It is found that the branches opened by Indian Overseas bank has increased from 10 in 2008-09 to 12 branches in 2012-13, the branches opened by Indian bank has increased from 8 to 10 branches, the branches opened by State Bank of India has increased from
7 to 8 branches and the branches opened by Canara bank has declined one branch in 2010-11. (Table 3.5)

- The study discloses that the deposits of the Tamilnad Mercantile Bank Ltd. has increased from Rs. 3781100 in 2008-09 to Rs. 6378792 in 2012-13, the deposits of ICICI Bank Ltd. has also increased from Rs. 1209100 in 2008-09 to Rs. 1912000 in 2012-13. The deposits of Karur Vysya Bank Ltd. has increased from Rs. 1027771 in 2008-09 to Rs. 1415644 in 2012-13 and the deposits of City Union Bank Ltd. has increased from Rs. 935006 in 2008-09 to Rs. 1374614 in 2012-13. (Table 3.6)

- The study exhibits that the advances of the Tamilnad Mercantile Bank Ltd has increased from Rs. 2906100 in 2008-09 to Rs. 8997468 in 2012-13, the advances of ICICI Bank Ltd has also increased from Rs. 3061200 in 2008-09 to Rs. 3283800 in 2012-13. The advances of Karur Vysya Bank Ltd has increased from Rs. 634761 in 2008-09 to Rs. 1904213 in 2012-13 and the advances of City Union Bank Ltd has increased from Rs. 408268 in 2008-09 to Rs. 1018633 in 2012-13. (Table 3.7)

- It is found that the branches opened by Tamilnad Mercantile Bank Ltd has increased from 8 in 2008-09 to 10 branches in 2012-13, the branches of ICICI Bank Ltd has 7 branches in 2012-13, the branches of Axis Bank Ltd has 2 branches in 2012-13. (Table 3.8)

- It is found that the branches opened by Tamilnad Mercantile Bank Ltd has increased from 5 in 2008-09 to 8 branches in 2012-13, the branches opened by Karur Vysya Bank Ltd has increased from 2 to 6 branches and the branches opened by City Union Bank Ltd has increased from 1 branch in 2011-12 to 6 branches in 2012-13. (Table 3.9)

- It is identified that the branches opened of Karur Vysya Bank Ltd has only one branch in 2012-13, the branches opened by City Union Bank Ltd has decreased from 2 to 1
branches, the branches of Lakshmi Vilas Bank Ltd branches only one branch in 2012-13. (Table 3.10)

5.2.3 Socio Economic Aspects Findings

- It is found that among the respondents of public sector banks, majority (38 per cent) are in the age group of 50 to 60 years, in private sector banks, about 36.7 per cent of the respondents are in the age group of 40 to 50 years. This shows that those who are above 50 and 60 don’t want to take risk in their savings, investment and borrowings. Hence they prefer to go to public sector, whereas below 50 age group prefer to take risk in their financial transaction and expect high returns. (Table 4.1)

- It is observed that those who are male (210) respondents are in public sector and (188) respondents in private sector, whereas female respondents, 90 are in public sector and 112 in private sector. This shows that those who are female are ready to take risk in their savings, investment and borrowings in private banks and male prefer to go to public sector banks. (Table 4.2)

- It is found that those who are married (272) respondents in public sector and (274) respondents in private sector, whereas unmarried respondents, only 28 in public sector and only 26 in private sector. This shows that those who are married want to take risk in their savings, investment and borrowings. Hence they prefer to go to public sector and private sector, whereas unmarried respondents have no family commitment hence they do not prefer to save money in the banks. Even if they save they don’t differentiate public and private sector banks for their savings and investment. (Table 4.3)

- It is found that in public sector banks majority of the respondents (28 per cent) are HSC. In Private sector banks, the largest group of respondents includes those who have completed SSLC (35.3 per cent) followed by respondents with a bachelor’s
degree from college has made up the second largest group of 22.7 per cent. This shows that those who have higher educational qualification want to save money in public sector and those who have less educational qualification prefer to save money in private sector. (Table 4.4)

- It is found that in public sector banks, a major chunk of the respondents is from salaried under private sector (47.3 per cent) whereas in private sector banks, the largest number of respondents is businessmen (50.7 per cent). It is inferred that those who are salaried under private sector prefer to save money in public sector and those who are businessmen prefer to save money in private sector bank expecting high returns on their savings. (Table 4.5)

- It is found that in public sector banks, the respondents earn below Rs.20,000 category of monthly income represent the largest group at 73.4 per cent. Those respondents who are earning above Rs. 20,000 per month represent only 26.6 per cent. In case of public sector banks, the respondents earn below Rs.20,000 category of monthly income represent the largest group at 53.3 per cent and above Rs.20000 category 46.7 per cent are in private sector. This shows that those who are earning below Rs.20,000 per month don’t want to take risk in their savings, investment and borrowings. Hence they prefer mostly to go to public sector banks, whereas those who are earning above Rs.20,000 per month prefer to take risk in their financial transaction. (Table 4.6)

5.2.4 Banking Transactions of Customers

- The study found that 100 per cent of the respondents have savings habits. It is inferred that all the respondents of public sector and private sector prefer to save their money.

- It is observed that among the customers of public sector banks, the largest number of respondents i.e. 67.3 per cent had savings of below Rs. 4000 and only 32.7 per cent of the respondents had savings of above Rs.4000. In Private sector banks, the largest
group of respondents (50.6 per cent) had savings of above Rs.4000 and 49.4 per cent of the respondents had savings of below Rs.4000. This shows that those who had savings of below Rs.4000 prefer to go to public sector, whereas those who had savings of above Rs.4000 prefer to go to private sector. (Table 4.7)

- It is identified that among the customers of public sector banks, the largest number of respondents i.e. 67.3 per cent had their savings in banks. In Private sector banks, the largest group of respondents (79.3 per cent) had their savings in banks. It is inferred that most of the respondents prefer to save their money in banks, because saving money in banks is safer than any other mode such as insurance, chit funds and those who take risk and expect high return prefer private sector banks. (Table 4.8)

- It is found that in public sector banks, majority of 34 per cent of the respondents have account in Canara Bank followed by 25.3 per cent in Indian Overseas Bank. Least per cent (4) have deposits in IDBI bank. It is inferred that most of the respondents have account in Canara bank because most of the branches of Canara bank are convenient to the customers as well as easy accessible to the customers than other banks and also different type of special schemes such as Canara Super Savings Salary Account Scheme, Canara Small Savings Bank Deposit Account, Canara Jeevandhara-SB Account For Senoir Citizens, Canara SB Power Plus are introduced by the Canara bank to attract the customers. (Table 4.9)

- In private sector banks, majority of 50 per cent of the respondents have account in ICICI Bank followed by 30 per cent of the respondents have account in HDFC Bank and only 2.7 per cent of the respondents have account in Karur Vysya Bank. It is inferred that most of the respondents prefer to have account in ICICI bank because there is quick transactions in ICICI bank and many modern banking services such as
internet banking, mobile banking, credit card, electronic fund transfer, e-payment, RTGs and NEFT are offered by ICICI bank. (Table 4.10)

- In public sector banks, majority of 68.7 per cent of the respondents maintain savings account and in private sector banks, majority of 40 per cent of the respondents maintain loan account. This shows that savings bank account is the most popular one among the customers of public sector banks followed by loan account (15.3 per cent) and in private sector banks, a comparatively lower number of customers are having savings bank account. Least number is recorded in recurring deposits of public sector banks. Loan account are high in private sector banks (40 per cent) because of easy and economical terms of loan. (Table 4.11)

- It is observed that among the respondents of public sector banks, majority (62.7 per cent) are using the services of the banks below six years, in private sector banks, about 54 per cent of the respondents are using the services of the banks below six years. It is inferred that those who are using the services of banks above six years are only 37.3 per cent in public sector and 46 per cent in private sector. This shows that those who are below six years of using the services of banks don’t want to take risk in their savings, investment and borrowings. Hence they prefer to go to public sector, whereas customers availing services above six years prefer to take risk in their financial transaction and expect high returns and they prefer private sector as they have confidence on the performance of their private banks. (Table 4.12)

- It is found that among the customers of public sector banks, only 15.3 per cent of the respondents have loan account. The study reveals that among the customers of private sector banks, 40 per cent of the respondents have loan account. It is inferred that majority of the respondents prefer to take loan in private sector banks because there are lesser formalities and in public sector banks too many documents are required to
take loan and this consumes more time and makes the process too complicated. (Table 4.13)

- In public sector banks, majority of 39.1 per cent of the respondents has taken education loan and only 4.3 per cent of the respondents has taken consumer loan. Table reveals that out of the total 120 sample respondents taken loan from the private sector banks, majority of 38.3 per cent of the respondents has taken educational loan and only 6.7 per cent of the respondents has taken consumer loan. It is inferred that majority of the respondents have taken education loan because parents prefer to take education loan in public and private sector banks. Housing loan taken the second position in both the banks. (Table 4.14)

- In public sector banks, majority of 39.2 per cent get the bank loan for the rate of interest of 18 to 20 and only 8.7 per cent of the sample respondents get the bank loan for the rate of interest of above 20 per cent. The study reveals that out of the total 120 sample respondents in private sector banks, majority of 43.3 per cent get the bank loan for the rate of interest of 18 to 20 and only 6.7 per cent of the sample respondents get the bank loan for the rate of interest of less than 14 per cent. This shows that majority of respondents get the bank loan for the rate of interest of 18 to 20 from public and private sector and the customers of private sector banks get the bank loan for higher rate of interest. (Table 4.15)

- In public sector banks, majority of 60.9 per cent of the respondents repay the loan for six years followed by 13 per cent in more than six years. The study indicates that out of the total 120 sample respondents in private sector banks, majority of 41.7 per cent of the respondents repay the loan for six years and only 3.3 per cent of the respondents repay the loan less than four years. This shows that majority of the customers of private sector banks repay the loan till six years because high rate of interest charged
by the private sector banks, hence the customers feel difficult to repay the loan within a short period of time. (Table 4.1)

- In the public sector banks, 52.2 per cent of the respondents repay the loan by cheque and table reveals that out of the total 120 sample respondents in the private sector banks, 55 per cent repay the loan by cheque. It is inferred that majority of the respondents prefer to repay the loan by cheque because it is the safest mode and will be a record for payment. Moreover handling cash in huge amounts is risky nowadays. (Table 4.17)

- In the public sector banks, majority of 26.1 per cent of the respondents availed the loan in two months and next majority of 21.7 per cent of the respondents availed the loan in one month. The study indicates that out of the total 120 sample respondents in the private sector banks, majority of 50 per cent of the respondents availed the loan within a month and next majority of 33.3 per cent of the respondents availed the loan in two months. This shows that in private sector, majority of the respondents availed loan within a month because of the quicker transactions in private sector as well lesser formalities. (Table 4.18)

- It is found that the important sources motivated to avail loan through the particular bank among the customers of public sector banks are agent and spouse and their respective mean scores are 3.2609 and 3.1870. Among the customers of private sector banks, the important sources motivated to avail loan through the particular bank among the customers of private sector banks are spouse and television advertisement and their respective mean scores are 4.8833 and 4.8500. (Table 4.19)

- The important factors motivating towards banks among the customers of public sector banks are to claim tax benefits and time saving and their respective mean scores are 3.7000 and 3.4333. Among the customers of private sector banks, the important factors
motivating towards banks are reasonable interest charged on services and spurious and their respective mean scores are 4.8667 and 4.8000. (Table 4.20)

- The important perception on service quality of banks among the customers of public sector banks are proper correspondence/communications and guiding customers exactly what they need and their respective mean scores are 4.1933 and 3.5467. Among the customers of private sector banks, the important perceptions on service quality of banks are guiding customers exactly what they need and employees’ trustworthiness and their respective mean scores are 4.8000 and 4.7750. (Table 4.21)

- It is found that the majority of the customers of private sector banks contributing 97.3 per cent fall in the index range of 75 to 100 per cent thereby confirming that the service quality of private sector banks is very good. The customers of public sector banks contributing 65.7 per cent fall in the index range of 50 to 75 per cent thereby confirming the service quality of private sector banks is moderate. (Table 4.22)

- The important perception of bankers’ service towards loan among the customers of public sector banks are loan procedure is simple and banks offer wide variety of loan facilities and their respective mean scores are 3.4433 and 3.4427. Among the customers of private sector banks, the important perception of bankers’ service towards loan are loan advertisement is more attractive and loans have a flexible premium structure and their respective mean scores are 4.6267 and 4.3300. (Table 4.23)

- Majority of the customers of private sector banks contributing 58 per cent fall in the index range of 75 to 100 per cent thereby confirming that the perception towards bankers’ service towards loan is good. The customers of public sector banks contributing 58 per cent fall in the index range of 50 to 75 per cent thereby confirming that the perception towards bankers’ service towards loan is moderate. (Table 4.24)
The important perception of customers towards bank after availing loan among the customers of public sector banks are Banks deliver the document safely (Registered Post/Courier) and banks remind the monthly payment through phone care and their respective mean scores are 3.4638 and 3.4569. Among the customers of private sector banks, the important perception of customers towards bank after availing loan are the loan document comes in an attractive and protective plastic jacket package and bank sends the EMI notice regularly and their respective mean scores are 4.8933 and 4.5733. (Table 4.25)

The important of implementation of loan among the customers of public sector banks are no switching intensions for loan and sufficient number of loan schemes and their respective mean scores are 4.0533 and 3.7067. Among the customers of private sector banks, the importance of implementation of loan are need based loans and comfortable repayment installment and their respective mean scores are 3.6667 and 3.6333. (Table 4.26)

The important customer relationship management in bank among the customers of public sector banks are bank staff greet me when I enter the premises and bank staff considers me as an important customer to them and their respective mean scores are 4.3867 and 4.1067. Among the customers of private sector banks, the important customer relationship management in bank are bank staff greet me when I enter the premises and bank staff considers me as an important customer to them and their respective mean scores are 4.8000 and 4.7733. (Table 4.27)

Majority of the customers of private sector banks contributing 73.3 per cent fall in the index range of 75 to 100 per cent thereby confirming that customer relationship management is good. Table further shows that the majority of the customers of public
sector banks contributing 53.7 per cent fall in the index range of 50 to 75 per cent thereby confirming that customer relationship is moderate. (Table 4.28)

- The important perception towards branch premises among the customers of public sector banks are the branch has sufficient seating arrangements and the branch is nearest to me and their respective mean scores are 4.5200 and 3.4533. Among the customers of private sector banks, the important perception towards branch premises are the branch has sufficient seating arrangements and the branch is nearest to me and their respective mean scores are 4.7667 and 3.9533. (Table 4.29)

- Majority of the customers of private sector banks contributing 86.7 per cent fall in the index range of 75 to 100 per cent thereby confirming that perception towards branch premises is good. Table further shows that the majority of the customers of public sector banks contributing 72 per cent fall in the index range of 50 to 75 per cent thereby confirming that perception towards branch premises is moderate. (Table 4.30)

- The important locations of bank among the customers of public sector banks are nearest location to customers and information employees and their respective mean scores are 4.1800 and 3.4167. Among the customers of private sector banks, the important location of bank are nearest location to customers and coverage of unbanked area and their respective mean scores are 4.7067 and 3.7600. (Table 4.31)

- The important locations of bank among the customers of public sector banks are services are also highly people intensive and neat & consistent appearance of service personal and their respective mean scores are 4.1733 and 3.7890. Among the customers of private sector banks, the importance of bank with regard to people are services are also highly people intensive and neat & consistent appearance of service personal and their respective mean scores are 4.7400 and 4.1260. (Table 4.32)
The important perception of customers towards the electronic services rendered by banks among the customers of public sector banks are Online activities help the customers to make the transaction outside the business house and Online banking services helps in promoting online shopping and their respective mean scores are 4.5200 and 4.0267. Among the customers of private sector banks, the important perceptions of customers towards the electronic services rendered by banks are Online activities help the customers to make the transaction outside the business house and Online banking services helps in promoting online shopping and their respective mean scores are 4.7667 and 4.7533. (Table 4.33)

Majority of the customers of private sector banks contributing 60.7 per cent fall in the index range of 50 to 75 per cent thereby confirming that perception towards electronic services is moderate. Table further shows that the majority of the customers of public sector banks contributing 59.3 per cent fall in the index range of 50 to 75 per cent thereby confirming that perception towards electronic services is moderate. (Table 4.34)

The important perception of customers towards loan payment among the customers of public sector banks are satisfied with the loans so far received and satisfied with the interest charged for loan and their respective mean scores are 4.2933 and 4.1800. Among the customers of private sector banks, the importance of perception of customers towards loan payment are number of installments in disbursement of loan to satisfactory and special cash counter facilities are maintained properly to repay loan dues by the commercial banks and their respective mean scores are 4.7533 and 4.7400. (Table 4.35)

Majority of the customers of private sector banks contributing 53.3 per cent fall in the index range of 50 to 75 per cent thereby confirming that perception towards loan
payment is moderate. Table further shows that the majority of the customers of public sector banks contributing 59.7 per cent fall in the index range of 50 to 75 per cent thereby confirming that perception towards loan payment is moderate. (Table 4.36)

- Majority of the customers of private sector banks contributing 58 per cent fall in the index range of 75 to 100 per cent thereby confirming that perception is good. Table further shows that the majority of the customers of public sector banks contributing 71 per cent fall in the index range of 50 to 75 per cent thereby confirming that perception is moderate. (Table 4.37)

**5.2.5 Problems of Customers**

- The important infrastructural problems among the customers of public sector banks are services are no comfortable & spacious waiting hall and non-availability of neat toilet facilities and their respective mean scores are 4.4667 and 4.0867. Among the customers of private sector banks, the important infrastructural problems are non-availability of neat toilet facilities and no comfortable & spacious waiting hall and their respective mean scores are 4.7333 and 4.6933. (Table 4.38)

- The important unfriendly approach of bankers among the customers of public sector banks are services are compel to take certain schemes to achieve target and no proper follow up services and their respective mean scores are 4.3200 and 4.2267. Among the customers of private sector banks, the important unfriendly approach of bankers are no proper follow up services and compel to take certain schemes to achieve target and their respective mean scores are 4.7333 and 4.6933. (Table 4.39)

- The important unfriendly attitude of employees among the customers of public sector banks are services are no proper response to enquiries and unwillingness to maintain good rapport with customers and their respective mean scores are 4.7200 and 4.6000. Among the customers of private sector banks, the important unfriendly attitude of
employees are unwillingness to maintain good rapport with customers and no proper response to enquiries and their respective mean scores are 4.7400 and 4.7267. (Table 4.40)

- The important communication/correspondence problems among the customers of public sector banks are services are no proper intimation regarding maturity of payment and no proper response to enquiries through telephones/correspondence and their respective mean scores are 4.6400 and 3.8667. Among the customers of private sector banks, the important communication/correspondence problems are no proper intimation regarding maturity of payment and no proper response to enquiries through telephones/correspondence and their respective mean scores are 4.7067 and 4.6933. (Table 4.41)

- The important lack of follow up services among the customers of public sector banks are no effect taken to inform the customers about the new schemes and not sending the documents in time and their respective mean scores are 4.5211 and 3.7667. Among the customers of private sector banks, the important lack of follow up services are no effect taken to inform the customers about the new schemes and not sending the documents in time and their respective mean scores are 4.6072 and 3.7733. (Table 4.42)

- The important problems in sanctioning loan among the customers of public sector banks are the percentage of loan against the value of asset is low and high rate of interest on loan and their respective mean scores are 4.5533 and 4.5274. Among the customers of private sector banks, the important problems in sanctioning loan are the percentage of loan against the value of asset is low and high rate of interest on loan and their respective mean scores are 4.6867 and 4.6600. (Table 4.43)
➢ The important non-availability of proper branch facilities among the customers of public sector banks are non-availability of required number of branches and non-availability of transport facility and their respective mean scores are 4.4800 and 3.5333. Among the customers of private sector banks, the important non-availability of proper branch facilities are non-availability of required number of branches and branches are located far away from the city and their respective mean scores are 4.7000 and 4.6400. (Table 4.44)

➢ The important lack of technology among the customers of public sector banks are only few branches have online payment and non-availability of web cameras to monitor customers and their respective mean scores are 3.7667 and 3.6467. Among the customers of private sector banks, the important lack of technology are only few branches have online payment and no facility to save all information about the customer in the computerized form and their respective mean scores are 4.7267 and 4.7000. (Table 4.45)

➢ The important effective measures to make banking user friendly among the customers of public sector banks are more advertisements in visual & print media and opening branches in rural areas and their respective mean scores are 3.6933 and 3.5567. Among the customers of private sector banks, the important effective measures to make banking user friendly are opening branches in rural areas and more advertisements in visual & print media and their respective mean scores are 3.6933 and 3.6100. (Table 4.46)

➢ The important customers’ point of view suggestions for banking sector among the customers of public sector banks are to provide adequate financial support while availing loan with banks and proper project planning and their respective mean scores are 3.7924 and 3.6933. Among the customers of private sector banks, the important
customers’ point of view suggestions for banking sector are to adopt reasonable formalities while rendering banking services and to provide adequate financial support while availing loan with banks and their respective mean scores are 4.6267 and 3.6921. (Table 4.47)

- The important government point of view suggestions for banking sector among the customers of public sector banks are promote better technology by investments in banking sector and provide better schemes that suit the needs of the customers and their respective mean scores are 3.6933 and 3.6467. Among the customers of private sector banks, the important government point of view suggestions for banking sector are new schemes to be introduced to attract more customers and provide better schemes that suit the needs of the customers and their respective mean scores are 4.6333 and 3.6867. (Table 4.48)

- The important society point of view suggestions for banking sector among the customers of public sector banks are adopt green banking and provide better facilities so as to promote environmental friendly methods and their respective mean scores are 4.0156 and 3.5687. Among the customers of private sector banks, the important society point of view suggestions for banking sector are banks should work for the development & upliftment of the society and adopt green banking and their respective mean scores are 4.6133 and 3.1264. (Table 4.49)

5.2.6 Findings of Hypothesis Testing Analysis

- It is found that the sources motivated to avail loan through the particular bank, the significant difference among the customers of public sector and private sector banks, are identified in the case of friends, spouse, agent, bank, television advertisement and print media advertisement. (Table 4.19)
➢ It is identified that the factors motivating towards banks, the significant difference among the customers of public sector and private sector banks, are identified in the case of to claim tax benefits, prompt services, easy transactions, to provide financial security, sincerity, easy availability, better services compared to other banks, convenient working hours, less formalities compared to other bank, specious, reasonable interest charged on services, proper response and avoid cumbersome transaction. (Table 4.20)

➢ It is observed that the perception on service quality of banks, the significant difference among the customers of public sector and private sector banks, are identified in the case of sincerity in solving problems, guiding customers exactly what they need, employees trustworthiness, employees attitude/approach is friendly, immediate response to enquiries, proper correspondence/communications, neatness of employees and assure right services at right time. (Table 4.21)

➢ It is found that the perception of bankers’ service towards loan, the significant difference among the customers of public sector and private sector banks, are identified in the case of loan terms and conditions are transparency, loans have a flexible premium structure and loan advertisement is more attractive. (Table 4.23)

➢ It is identified that the perception of customers towards bank after availing loan, the significant difference among the customers of public sector and private sector banks, are identified in the case of the loan document comes in an attractive and protective plastic jacket package, the documents are delivered by the bank within a shorter period, bank sends the EMI notice regularly, banks deliver the first premium receipt very quickly, interest charged by the bank for delayed EMI payment is high and banks settle the claim quickly. (Table 4.25)
- It is found that the importance of implementation of loan, the significant difference among the customers of public sector and private sector banks, are identified in the case of quick service, simple loan formalities, comfortable loan security, easy recovery policy, timely updation, need based loans, comfortable repayment installment, no switching intensions for loan, sufficient number of loan schemes and service area approach. (Table 4.26)

- It is found that the customer relationship management in bank, the significant difference among the customers of public sector and private sector banks, are identified in the case of bank staff greet me when I enter the premises, bank staff considers me as an important customer to them and banks send greetings and gifts to all customers. (Table 4.27)

- It is identified that the perception towards branch premises, the significant difference among the customers of public sector and private sector banks, are identified in the case of the branch is nearest to me, the branch has sufficient seating arrangements, the branch has adequate parking facilities and the branch is computerized. (Table 4.29)

- It is found that the important location of bank, the significant difference among the customers of public sector and private sector banks, are identified in the case of the coverage of unbanked area, nearest location to customers and friendly attitude of the employees. (Table 4.31)

- It is identified that the importance of bank with regard to people, the significant difference among the customers of public sector and private sector banks, are identified in the case of the each employee is a salesman for the bankers service and services are also highly people intensive. (Table 4.32)

- It is found that the perception of customers towards the electronic services rendered by banks, the significant difference among the customers of public sector and private
sector banks, are identified in the case of online activities help the customers to make the transaction outside the business house, electronic services help the customers to send their feedback and queries, after the introduction of the modern technology the banks send information through SMS, online payment services helps to choose various services available with the banks, online banking services helps in promoting online shopping and purchase decision can be done in privacy. (Table 4.33)

➢ It is found that the perception of customers towards loan payment, the significant difference among the customers of public sector and private sector banks, are identified in the case of satisfied with the interest charged for loan, Time taken for loan disbursement is satisfactory, Number of installments in disbursement of loan to satisfactory, deductions in loans are reasonable, special cash counter facilities are maintained properly to repay loan dues by the commercial banks, rescheduling loan policies of the commercial banks are satisfactory and satisfied with the loans so far received. (Table 4.35)

➢ It is found that the infrastructural problems, the significant difference among the customers of public sector and private sector banks, are identified in the case of no comfortable & spacious waiting hall and non-availability of neat toilet facilities. (Table 4.38)

➢ It is observed that the unfriendly approach of bankers, the significant difference among the customers of public sector and private sector banks, are identified in the case of do not file necessary explanation regarding terms and benefits of loan, compel to take certain schemes to achieve target, unfriendly and non-cooperative and no proper follow up services. (Table 4.39)

➢ It is found that the unfriendly attitude of employees, the significant difference among the customers of public sector and private sector banks, are identified in the case of
employees are unfriendly and non-approachable, do not have proper knowledge about various schemes and unwillingness to maintain good rapport with customers. (Table 4.40)

➢ It is identified that the communication/correspondence problems, the significant difference among the customers of public sector and private sector banks, are identified in the case of do not send reminders in time for payment of equated monthly installments, irregular issue receipts for the payment and no proper response to enquiries through telephones/correspondence. (Table 4.41)

➢ It is identified that the lack of follow up services, the significant difference among the customers of public sector and private sector banks, are identified in the case of no effect taken to inform the customers about the new schemes and irregularities in issuing certain privileges announced. (Table 4.42)

➢ It is found that the problems in sanctioning loan, the significant difference among the customers of public sector and private sector banks, are identified in the case of the percentage of loan against the value of asset is low and long period of taken to sanction the loan. (Table 4.43)

➢ It is identified that the non availability of proper branch facilities, the significant difference among the customers of public sector and private sector banks, are identified in the case of branches are located far away from the city, non-availability of required number of branches and no proper parking facility. (Table 4.44)

➢ It is found that the lack of technology, the significant difference among the customers of public sector and private sector banks, are identified in the case of only few branches have online payment, no facility to save all information about the customer in the computerized form, bankers fail in reminding the date for payment of loan and online payment is inconvenient. (Table 4.45)
- It is identified that the effective measures to make banking user friendly, the significant difference among the customers of public sector and private sector banks, are identified in the case of training in communication skill to bankers to reach the customers and training & creating awareness about various schemes in banks. (Table 4.46)

- The customers’ point of view suggestions for banking sector, the significant difference among the customers of public sector and private sector banks, are identified in the case of to adopt reasonable formalities while rendering banking services, sufficient number of cash counters for deposit and lending services and adoption of modern technology is necessary in banking sector. (Table 4.47)

- It is observed that the government point of view suggestions for banking sector, the significant difference among the customers of public sector and private sector banks, are identified in the case of new schemes to be introduced to attract more customers, promote better technology by investments in banking sector and charge low rate of interest on loans. (Table 4.48)

- It is found that the society point of view suggestions for banking sector, the significant difference among the customers of public sector and private sector banks, are identified in the case of banks should work for the development & upliftment of the society, provide better facilities so as to promote environmental friendly methods and adopt green banking. (Table 4.49)

5.2.7 Findings of Rotated Factor Matrix

✓ It is observed that five factors were extracted out of twenty one variables. These factors accounts for 67.647 percentage variance in the data. The important factors motivating towards banks are prompt services, time saving, sincerity, better quality and standard services and qualified staff and these are included in the first factor. The
included five variables explain this factor to the extent of 71.20 per cent or 0.712. The important factors motivating towards banks are easy availability, highly accessible, proper response and reasonable interest charged on services and these are included in the second factor. The included four variables explain this factor to the extent of 69.80 per cent. The important factors motivating towards banks are neatness of the bank, easy transactions and provide financial security and these are included in the third factor. The included three variables explain this factor to the extent of 72.40 per cent. The important factors motivating towards banks are proper customer services/recognition of customers and convenient working hours and these are included in the fourth factor. The included two variables explain this factor to the extent of 63.10 per cent. The important factors motivating towards banks are less riskier compared to other banks and less formalities compared to other banks and these are included in the fifth factor. The included two variables explain this factor to the extent of 65.90 per cent. (Table 4.50)

✓ It is found that three factors were extracted out of fifteen variables. These factors accounts for 57.150 percentage variance in the data. The important effective measures to make banking user friendly are promote better technology by investments in banking sector, sufficient number of cash counters for deposit and lending services, charge low rate of interest on loans, adoption of modern technology is necessary in banking sector, provide better facilities so as to promote environmental friendly methods and to provide adequate financial support while availing loan with banks these are included in the first factor. The important effective measures to make banking user friendly are adopt reasonable formalities while rendering banking services, promote better services, banks should work for the development & upliftment of the society, provide better schemes that suit the needs of the customers and adopt
green banking and these are included in the second factor. The important effective measures to make banking user friendly are training and creating awareness about various schemes in banks, more advertisements in visual & print media, new schemes to be introduced to attract more customers and proper project planning and these are included in the third factor. (Table 4.56)

5.2.8 Ranking Findings

✓ It is found that in public sector banks in Tirunelveli district, majority of the customers had given the first rank to processing procedure is easy and the sample customers had given the last rank to regular follow up. (Table 4.52)

✓ It is identified that in private sector banks in Tirunelveli district, majority of the customers had given the first rank to good relationship with customers and the sample customers had given the last rank to office hour are suitable. (Table 4.53)

✓ It is found that in public sector banks in Tirunelveli district, majority of the customers had given the first rank to variety of loans and the sample customers had given the last rank to immediate disbursement of loans. (Table 4.54)

✓ It is identified that in private sector banks in Tirunelveli district, majority of the customers had given the first rank to immediate disbursement of loans and the sample customers had given the last rank to lower margin requirements. (Table 4.55)

5.3 Suggestions

5.3.1 Suggestions to the Customers

✓ To get effective quality of services from the bank, customers should provide adequate time to the bank to do the work rather than disturbing and waiting in long queues and crowding before the counter.
✓ A customer has to learn about the banking formalities with the help of co-customers or with specific bank employee rather than disturbing employees involved in other activities.

✓ Customers should be aware of the modern developments in the banking activities, to facilitate the banks to provide quality services.

✓ To get quality banking services a customer has to utilize the available technological services in their bank rather than traditional way of approach.

✓ The evaluation of service quality during definite periods in order to identify new demand/needs of the customers must be done periodically and permanently.

5.3.2 Suggestions to the Banks

✓ 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.

✓ Proper technical training to staff must be provided to handle crisis situation.

✓ Bank should create awareness in rural areas regarding their new schemes and should train and educate if necessary.

✓ The development of new product should be according to the customer need. A regular service should be given to the customer through the department website, Brochures and others by conducting regular survey, the result can be used by the department to come up with a new excellent product such as quality of printing or documentation for delighting their customer.

✓ Although overall both public and private sector bank customers are satisfied with their banks but due to wide difference of response, both public and private sector banks should concentrate on their weak areas in order to meet their customer expectations.
and this study provides sort of guidelines to managers of banks to take suitable
decisions to get more satisfied responses from their customers.

5.4 Conclusion

Private Banks seem to have satisfied its customers with good services and they
have been successful in retaining its customers by providing better facilities than Public
sector Banks. But, still Private Banks need to go a long way to become customer’s first
preference. In an economy of innovative technologies and changing markets, each and
every service has become important. New financial products and services have to be
continuously introduced in order to stay competent. Success mantra could be customer
centric orientation, where the organization builds long term strategic relationships with its
customers and Private sector Banks have been successful in achieving such relationship
with customers. However public sector banks have to improve in this area. Private Banks
need to concentrate more on their credit facilities and insurance services since customers
do not have a very good opinion about these facilities being offered by Private Banks.
Public sector banks enjoy the trust of the customers, which they have been leveraging to
stay in the race. However they need to improve their service by improving their physical
facility, infrastructure and giving proper soft skill trainings to their employees. The efforts
have to be made in the direction of enhancing the retail banking experience. That is why a
well performed service encounter may even overcome the negative impression caused by
poor technical quality as well as generate positive word-of-mouth, particularly if
customers witness that employees have given their best in order to satisfy them during a
contingency. Employees are part of the customer service process, which is the key to
success for any bank. It is these encounters with customers during a service that are the
most important determinants of overall customer satisfaction, and a customer’s experience
with the service will be defined by the brief experience with the firm’s personnel and the firm’s systems. Any laxity at the end of the employees can lead to customer defect.

It is evident that public sector banks have a strong presence in the market, but in recent times they are facing stiff competition from private sector banks in the range and quality of services offered. In the present scenario banks have to be service oriented in order to keep ahead of competition. It is prudent for Public sector banks to concentrate on providing updated information to customers regarding the new services offered by them. They must also change their policies, customer service norms and service efficiency keeping in view the strategies adopted by private sector banks.

In the new environment the bank has to sell its product with a view to maximize the profit and to attract the customers with better services. The bankers have to realize the implication of market economy and adjust accordingly. The bank has to equip itself to meet the challenges of tomorrow banking. The present study helps the banker to educate their customer by providing various services based on technological development to the satisfaction of their customer.

This study will help the private sector banks in the district in improving the customer service, in accordance with the expectations of its customers.

Public sector banks have enormous clientele and large number of branches and do serve poor clientele as these banks require minimum amount for account opening. But, public sector banks were lagging behind the private banks for using technology properly, for delivering quality services to their customers. Public sector banks should be more efficient in using technology in providing their services.

Private banks were found more efficient in delivering fast and better services to their customer, but need to inculcate more trust in their customers. They should deal with
privacy issues of customers carefully. Besides this, they should incline their focus from class customers to mass customers also.

5.5 Scope for Further Research

(1) The present study has made an attempt to measure the perception of customers towards the services of public and private sector banks, to analyse various services provided by the public sector banks, private sector banks and perception of customer on services.

(2) The present research focused the perception of customers towards the various services of public sector banks and private sector banks, hence the future research could be studied expectation of customers towards the services of public sector banks and private sector banks.

(3) This research should be further continued with large number of sample size to identify the expectations of the customers.

(4) The research also recommends that a deep study should be carried out to establish the challenges encountered by the customers in the process of using the banking services.

(5) This research also recommends a deep study in the nature of banking services alone. Different types of banking services modes can be taken as research area to have a depth study. Problems of banking services can be taken as the research area to have deep study. Any specific qualities of banking services can be dealt as a broader area of research.