CHAPTER VI

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

This chapter summarizes the important findings emerged out of the customers’ perspective analysis of the financial services provided by the India post in the Tirunelveli district and the suggestions are suitably drawn out from the findings of the study. Finally the conclusion of the study and scope for the further study is presented in this chapter.

6.2 SUMMARY OF FINDINGS

The major findings of the study are summarised in the following sections below:

6.2.1 SOCIO-ECONOMIC CHARACTERS OF THE RESPONDENTS

- The present study has analysed the responses of 384 respondents.
- It is observed that majority 31.5 (121) percent of the respondents are aged between 36-45 years are using the financial services provided by the India post.
- It is depicted that 203 (52.9 percent) female customers are using the financial services provided by the India post in Tirunelveli district.
- The analysis reveals that 291 (75.8 percent) married respondents have availed the financial services of India Post in Tirunelveli district.
- The analysis reveals that 84.4 percent of the customers are belongs to the nuclear family system.
- It is observed that 125 (32.6 per cent) customers has completed their under graduate education are using the financial services of India Post in Tirunelveli district.
- It is found that the 97 (25.3 percent) respondents’ monthly income ranges between Rs.5001 to 15,000 and 36.7 percent of the respondents’ monthly savings are up to 10 percent of their monthly savings.
- It has been observed that out of 384, 94 (24.5 percent) customers are businessman and 39.3 percent of the respondents were residing in semi-urban area.
- It is to be noted that 100 percent respondents are accessing savings schemes.
- The survey indicates that the majority (40.89 per cent) of the customers of India Post get gathered information from agents in Tirunelveli district.

6.2.2 FACTOR AFFECTING THE CUSTOMERS TOWARDS THE INDIA POST

Factor analysis is employed to find the dominant factors which are affecting the customers towards the financial services provided by the India post.

- The Cronbach’s alpha value for the fifteen variables is .813 and the Kaiser-Meyer-olkin measure of sampling adequacy is .630.
- It is observed that among the fifteen variables considered for factor analysis the ‘Accessibility’ factor accounts for 33.880 percent of the total variance and has the Eigen value of 5.082.
- ‘Convenience’ factor accounts for 15.78 percent of the total variance and has the Eigen value of 2.367.
- ‘Assurance’ factor accounts for 11.79 percent of the total variance and has the Eigen value of 1.769.
‘Services’ factor accounts for 7.29 percent of the total variance and has the Eigen value of 1.09.

6.2.3 TYPE OF FINANCIAL SERVICE USED

- Out of 384 respondents, 213 respondents were using the Post Office Savings Schemes, 199 respondents were using the Postal Insurance/ Rural Postal Insurance and 189 respondents were using the Money Remittance Services provided by the India Post.
- Nearly equal number (i.e., 200 respondents) of respondents is selected in each type of financial services provided by the India Post.
- Out of 384, 41 respondents (10.7 percent) are using all the financial services provided by the India Post.

6.2.4 CUSTOMERS’ PERSPECTIVE ON POST OFFICE SAVINGS SCHEMES

- Out of 384 respondents 213 are investing in Post Office Savings Schemes
- Among the 17 attributes taken for studying the level of satisfaction of the respondents on post office savings schemes the respondents are highly satisfied with the aspect of “Maximum balance limit” which ranks first. “Nomination facility” ranks second. “Tax benefit” ranks third. The respondents are not satisfied with the attributes - Length of the Maturity period, default charges and lock in period.
- It was found that Out of 213 only 33 (15.5 percent) respondents are highly satisfied with the post office savings schemes.
The kruskal wallis test reveals that there is no significant relationship between the level of satisfaction and the social-economic factors namely Age, Educational Qualification, Occupation, Monthly income, Monthly savings and Place of Residence of the respondents towards the post office savings schemes.

- The age group of 36-45 years with highest mean rank of 115 are highly satisfied with the Post Office Savings Schemes.
- The under graduates respondents with highest mean rank of 112.91 are highly satisfied with the Post Office Savings Schemes.
- Government employees with highest mean rank of 120.41 are highly satisfied with the Post Office Savings Schemes.
- Monthly income ranges between Rs.5001 – Rs.15000 with highest mean rank of 112.45 are highly satisfied with the Post Office Savings Schemes.
- Monthly savings of 31 to 40 percent with highest mean rank of 123.88 are highly satisfied with the Post Office Savings Schemes.
- Respondents living in semi-urban areas with highest mean rank of 111.80 are highly satisfied with the Post Office Savings Schemes.
- Mann–Whitney Test reveals that there is no significant relationship between the level of satisfaction and the socio-economic factors such as Gender, Marital Status, and type of family of the respondents towards the Post Office Savings Schemes.
- Female respondents with the mean rank of 108.82 are highly satisfied on POSS than the male respondents.
- Unmarried respondents with the mean rank of 113.32 are highly satisfied on POSS than the married respondents.
- Joint family system of the respondents with the mean rank of 113.70 are highly satisfied on POSS than the nuclear family system belonged respondents.
- It is evidence to the fact that, the 115 respondents does not use cheque book for their Post office savings account.
- Perception of customers towards the ease of access, time consumption, cheque clearance, service charges and cheque deposit cut-off time are strongly influences the cheque services.
- It is observed that out of 213 respondents 63 of them only using ATM services and further ATM service is not available for 108 respondents.
- The major problem faced by the customers while availing the Savings schemes from the India post is ‘Restricted time for transactions in working hours’ with the highest mean score of 63.18.

6.2.5 CUSTOMERS’ PERSPECTIVE ON POSTAL LIFE INSURANCE\RURAL POST LIFE INSURANCE

- Out of 384 respondents 199 are taken life insurance policy from India post.
- Among the 15 attributes taken for studying the level of satisfaction of the respondents on the Postal life insurance/Rural post life insurance the respondents are highly satisfied with the aspect of “Tax benefits” which ranks first. “Loan against policy” ranks second. “Eligibility criteria for taken the policy” ranks third.
- The respondents are not satisfied with the attributes - Length of the Maturity period, Mode of payment of premium and the Surrender value of the policy.
- It was found that Out of 199 only 38 (19.1 percent) respondents are highly satisfied with the Insurance services provided by the India post.
- The kruskal wallis test reveals that there is no significant relationship between the level of satisfaction and the social – economic factors namely Age, Educational
Qualification, Occupation, Monthly income, Monthly savings and Place of Residence of the respondents towards the Postal life insurance/Rural post life insurance.

- Respondents in the age group of above 55 Years with highest mean rank of 109.42 are highly satisfied with the PLI/RPLI.
- The post graduation completed respondents with highest mean rank of 111.11 are highly satisfied with the PLI/RPLI.
- Government employees with highest mean rank of 106.25 are highly satisfied with the PLI/RPLI.
- The respondents getting monthly income of range between Rs.25001 – Rs.35000 with highest mean rank of 104.11 are highly satisfied with the PLI/RPLI.
- The respondents who are savings monthly from 11 to 20 percent with highest mean rank of 105.93 are highly satisfied with the PLI/RPLI.
- The respondents living in urban areas with highest mean rank of 100.89 are highly satisfied with the PLI/RPLI.
- Mann – Whitney Test reveals that there is no significant relationship between the level of satisfaction and the socio-economic factors such as Gender, Marital Status, and type of family of the respondents towards the PLI/RPLI.
- The female respondents with the mean rank of 100.77 are highly satisfied than the male respondents on the PLI/RPLI.
- The unmarried respondents with the mean rank of 103.05 are highly satisfied on the PLI/RPLI.
- The respondents belongs to the nuclear family system with the mean rank of 101.96 are highly satisfied on the PLI/RPLI.
The major problem faced by the customers while availing the insurance services from the India post is ‘No/ delayed remainder about the premium payment’ with the highest mean score of 62.12 followed by the second and third ranked problems are ‘Penalty charged for late remittance of premium is high’ with 59.04 mean score and ‘Higher rate of interest for loan on policy’ with 56.88 mean score respectively.

6.2.6 CUSTOMERS’ PERSPECTIVE ON THE MONEY REMITTANCE SERVICES

- Out of 384 respondents 199 are using money remittance services provided by the India post.
- Among the 10 attributes taken for studying the level of satisfaction of the respondents on the money remittance services provided by the India post the respondents are highly satisfied with the aspect of “Procedure for booking the money order” which ranks first. “Alteration can be made for non-delivered money order” ranks second. “Location it reached” ranks third.
- The respondents are not satisfied with the attributes - Authentication procedure and Time taken to deliver the cash.
- It was found that Out of 189 only 4 (2.1 percent) respondents are highly satisfied with the money remittance services provided by the India post.
- The kruskal wallis test reveals that there is no significant relationship between the level of satisfaction and the social – economic factors namely Age, Educational Qualification, Occupation, Monthly income, Monthly savings and Place of Residence of the respondents towards the money remittance services provided by India post.
- The respondents in the age group of below 25 years with highest mean rank of 97.41 are highly satisfied with the Money Remittance Services provided by the India post.
- Doctorate completed respondents with highest mean rank of 111.40 are highly satisfied with the Money Remittance Services provided by the India post.
- The respondents stayed as housewives with highest mean rank of 106.54 are highly satisfied with the Money Remittance Services provided by the India post.
- The respondents getting monthly income of Below Rs. 5000/- with highest mean rank of 103.23 are highly satisfied with the Money Remittance Services provided by the India post.
- The respondents’ savings monthly ranges from 31 to 40 percent with highest mean rank of 110.76 are highly satisfied with the Money Remittance Services provided by the India post.
- The respondents living in semi-urban areas with highest mean rank of 96.31 are highly satisfied with the Money Remittance Services provided by the India post.
- Mann – Whitney Test reveals that there is no significant relationship between the level of satisfaction and the socio-economic factors such as Gender, Marital Status, and type of family of the respondents towards the Money Remittance Services provided by the India post.
- Female respondents with the mean rank of 96.72 are highly satisfied than the male respondents on the Money Remittance Services provided by the India post.
- Unmarried respondents with the mean rank of 99.17 are highly satisfied on the Money Remittance Services provided by the India post than the married respondents.
The respondents belong to nuclear family system with the mean rank of 95.68 are highly satisfied on the Money Remittance Services provided by the India post than the joint family system respondents.

The major problem faced by the customers while availing the Money Remittance Services from the India post is ‘Payment is not delivered on time to the payee’ with the highest mean score of 86.57 and the second ‘Want to reach authorized PO branch for booking money order’ with the mean score of 73.99 followed by ‘Rigid verification procedure’ with the mean score of 69.78.

6.2.7 FINANCIAL SERVICE REQUIREMENTS OF THE CUSTOMERS

- It is understood that 91.93 percent of the respondents are also having their saving in other financial institutions.
- 98.30 percent respondents are preferred Bank as one of their other alternative avenue for their investment.
- It is found that 96.03 percent respondents are having savings bank (SB) account in the other financial institutions.
- The major reason for opting other financial institution is to ‘diversify their investment avenue’ (weighted average score is 8.81). Followed by to ‘get credit facility/loan’ (weighted average score is 8.22) is the second major reason selected by the respondents for having savings account in other financial institution.
- Out of 384 respondents, 78 of them are taken life insurance policies from other financial institutions.
- It is revealed that 48.72 percent of the respondents are preferred private life insurance company.
- The major reason selected by the respondent for taken life insurance policy from other financial institution is ‘Variety of policies offered’ (weighted average score is 4.88) followed by ‘Return on policy’, ‘Sum assured amount’ and ‘Mode of paying premium’ (weighted average score is 4.49, 4.03, 3.01) respectively.

- 85.42 respondents are taken non-life insurance policies to protect their life from uncertainty. In that 59.76 percent of the respondents are preferred Public General Insurance Company and the major type (81.10 percent) of General insurance policies taken from the respondents is Motor insurance policy and Health & Accident insurance policy.

- 27.86 percent of the respondents are using the money remittance services provided by the other financial institutions. In that 71.03 percent of the respondents are preferred banks for doing their remittances.

- The major reason selected by the respondent for availing the money remittance services provided by the other financial institution is ‘Time taken to deliver’ with the highest weighted average score of 5.56.

- The most preferred financial service needed from the India post is ‘credit/loan facility’ (78.39 percent) followed by ‘general insurance policies’ (68.23 percent) and ‘demand draft facility’ (63.80 percent) respectively.

- The most preferred value added service needed from the India post is ATM/debit card (95.31 percent), Self-service passbook printing (91.93 percent) and Self-service cash deposit (90.63 percent) respectively.

- It is evident from the results that preferred future changes needed for the India post in the aspects of ‘Infrastructure facilities’ (mean score is 70.87), followed by ‘Employee approach’ (mean score is 60.82) and ‘Services’ (mean score is 50.77) respectively.
6.3 CONCLUSION

The results of the study indicated that the overall satisfaction level of the customers towards the financial services provided by the India post is moderate. However the customers of the India Post expect the following financial services which are credit/loan facility, general insurance policies and demand draft; and the following Value Added Services which are ATM services, self-service pass book printing and self-service cash deposit service.

In addition to that, the researcher has deciphered the following from the SWOT analysis of the financial services provided by India post:

The major strength of the post office savings schemes is, its minimum amount to open an account followed by nomination facility and tax benefits. The positive attributes of the postal life insurance and rural postal life insurance are ‘Tax benefit’, ‘loan against policy’ and ‘eligibility criteria for taking the policy’. The highly influenced attributes of the Money remittance services are ‘procedure for booking’, ‘alteration can be made’ and ‘location it reached’. Further, the least ranked preferred future changes needed for the India post’s financial services are their ‘benefits’. These are the strengths of the financial services of India post.

The least affected factors considered for availing the financial service from India post is ‘friendliness of the staff’ and less concentration on ‘promotional activities’. The post office savings schemes and PLI/RPLI customers are dispirited with the ‘length of the maturity period’ and the foremost trouble for availing the money remittance service from India post is ‘Want to reach authorized PO branch for booking money order’. These are the weaknesses that need to be eradicated for enhancing the satisfaction level of the customers.
Customers preferred ‘mutual fund’ as one of the investment avenue. Hence, India post can take it as an opportunity to provide mutual fund products for the customers in Tirunelveli district.

The major threat for the post office savings schemes and insurance services of India post is ‘variety of schemes offered’ and for the money remittance services are ‘time taken to deliver’ and ‘mode of payment’ by the other financial institutions.

Finally, the study concluded that the expectations of the customers need to be addressed, in order to satisfy them.

6.4 RECOMMENDATIONS

i. India Post can expand its financial services and introduce saving schemes so that it meets the financial needs of the different segments of the society as well as compete with the other financial service providers.

ii. Length of the maturity period and lock-in-period for the savings schemes can be reduced to retain the existing customers.

iii. Suggestion has been made to eradicate the restricted time for transactions in the working hours.

iv. India post could consider providing SMS alerts about the premium due date in advance for the insurance policies holders to avoid delay in premium payment.

v. Suggestion has been made to authorize more number of its branches to provide money remittance services.

vi. India post should consider relying on technological advancements adopted by the financial service providers in the market so as to sustain and attract customers easily.
vii. India post can utilize the services of the advertisement industry and the services of both print and visual media to sell its products to customers.

viii. India Post can consider providing full-fledged computer-based services by giving proper training for its employees to operate and to maintain the computer and other electronic devices used for the transaction process.

ix. India post should consider extensive use of automated machines for speedy processing and save time in those areas where it involves manual and repetitive work. This helps reduce the processing time.

x. The satisfaction level of the respondents on financial services is moderate; hence India Post can implement CRM strategies on enhancing the relationships.

xi. The findings of the study show that the customers need some more financial services from India post. So, India post should consider customers’ expectations regarding the additional financial services needed.

xii. Suggestion has been made to give value added services based on the need of the customers so as to grow as a competitive financial service provider.

xiii. India Post should take efforts to attract customers who use banking, insurance and money transfer services provided by other financial service providers. In order to achieve this, they can create cooperation between various financial agencies.

xiv. Suggestion has been made to improve the infrastructure facilities of India post’s branches to give more comfort facilities to its customers.

xv. The findings of the study show that the customers of India post are availing mutual fund and forex services from other financial institutions. So, India post should consider providing mutual fund and forex services in the Tirunelveli district.
6.5 SUGGESTED TOPICS FOR FURTHER RESEARCH

The researcher has identified the following topics for further research:

- Critical analysis of the India post’s Financial services in the Tamilnadu Postal circle.
- A Comparative study on the performance of Financial Services provided by the Banks and India post.
- Perception of Customers’ towards the Service Quality of Financial Services provided by the India Post.
- Factors Affecting the Customers Demand: of Financial Services provided by the India post.