CHAPTER 6
SUMMARY OF FINDINGS

A portrayal of the major findings is given below:

6.1 Response rate

Primary data was collected from retail banking customers and bank officials across six banks (two from each of nationalized, private sector and foreign banks) chosen for study. The response rate from the retail banking customers was 82%, while that of bank officials was 80%.

6.2 Profile of the respondents -- retail customers

Male constitutes 57.72% of the total respondents, while their female counterpart tallies 42.28%. Male respondents were highest in CITI bank (61.90%), followed by SBI at 60.82%, Standard Chartered at 58.22%, ICICI at 57.14%, IOB at 55.43% and HDFC at 53.24%.

Sample respondents in the age group of 20-29 and 30-39, are seen more in private sector banks (ICICI and HDFC) and foreign banks (Standard Chartered and CITI) than in nationalized banks (SBI and IOB). Respondents in the age group of 40 and above are found more in nationalized banks than in private and foreign banks. In a nutshell, as per the sample respondents, young people (those in the age group of 20-39) are seen more in private and foreign banks, while elderly people (those in the age group of 40 and above) are seen more in nationalized banks.

Sample respondents with school level qualifications and under graduates are seen more in nationalized banks than in private sector and foreign banks. This is evidenced by the total of respondents with UG qualification and below, which is around 62% for SBI and IOB, while for ICICI, HDFC, Standard Chartered and CITI banks, it is around 43%, 36%, 30% and 34% respectively. Respondents with PG and Professional qualifications are seen more in private sector and foreign banks than nationalized banks. This can be deduced from the total of respondents with PG and Professional qualification, which for ICICI, HDFC, Standard Chartered and CITI banks is around 57%, 64%, 60% and 69% respectively, while for SBI and IOB it is around 38%.

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In the case of SBI, sample respondents who are employed in Government sector and those retired from services, constitute 56.70%, while for IOB their total is 54.35%. But in the case of ICICI, HDFC, Standard Chartered and CITI banks, this total works out to 15.48%, 9.09%, 11.39% and 11.12% respectively.

In SBI, sample respondents who are employed in Private sector, Self-employed and students, constitute 43.30%, while for IOB their total is 45.65%. But in the case of ICICI, HDFC, Standard Chartered and CITI banks, this total tantamount to 84.52%, 90.91%, 88.61% and 88.88% respectively.

Thus, it can be inferred from the above sample that respondents employed in Government sector and those retired from services, are seen more in nationalized banks than private and foreign banks. Sample respondents who are employed in the Private sector, self-employed and students are seen more in Private and foreign banks than in nationalized banks. Sample respondents who occupy the plum positions are seen more in private sector and foreign banks (ICICI, HDFC, Standard Chartered, CITI) than in nationalized banks (SBI, IOB).

Those who don the junior management through middle to senior management level are seen more in SBI and IOB than private sector and foreign banks.

Sample respondents who are self employed are seen more in private sector and foreign banks (ICICI, HDFC, Standard Chartered, and CITI) than nationalized banks (SBI, IOB).

Respondents who are uneducated manual laborers’ are seen only in SBI and IOB.

Respondents who are students and those who are retired are comparatively more in SBI and IOB than private sector and foreign banks.

Respondents whose income is below Rs.20,000 are seen more in SBI and IOB rather than private sector and foreign banks.

Sample respondents who are in the income group of Rs. 20,001 to Rs. 30,000 are comparatively more in private banks (ICICI and HDFC banks) and foreign banks, namely, Standard Chartered and CITI banks.
Respondents in the income group of Rs.30,001 to Rs.40,000 seem to be marginally tilted towards foreign banks.

Respondents whose earnings are Rs.50,001 and above are seen more in ICICI bank, followed by Standard Chartered, SBI, HDFC, IOB and CITI banks.

Sample respondents with greater than five years of association are maximum in SBI and IOB banks. In the case of ICICI bank, maximum number is seen in 3 to 5 years, while in the case of HDFC, Standard Chartered and CITI banks, the maximum years of association is seen only in the 1 to 3 years. In a nut shell, as per the sample respondents, loyalty seems to be more in the nationalized banks than in private sector and foreign banks.

A majority (62.80%) of the sample respondents across all the banks have opened their account owing to their own self enquiry, followed by company requirement (17.68%) for getting their salary credited. Together they constitute 80.48%. Opening of an account due to personal selling by banks together make up a paltry 3.06%.

It is important to note that peer group influence in opening of an account tantamount to a considerable 11.38%. This underscores the importance of satisfying the existing customers so that they spread positive message about the bank and bring in new customers. The influence of advertisement in the opening of an account is at the lower end by indicating a meager 5.08%.

6.3. Findings with respect to objectives

The results of the study with respect to the first objective are summed up below.

Banks provide both conventional brick and mortar retail banking and high-tech e-banking. The volume and value of paper based transaction have been increasing over the years albeit at a declining rate presumably due to the impact of high tech e-banking [p. 62].

With the dawn of digital age in banking, banks provide facilities like Electronic clearing system (ECS), Credit card, Debit card, ATMs, Mobile banking, Internet banking and prepaid payment instruments [p. 63].

Banks offer the following services through internet banking [p. 71]:

1) On-line shopping
2) On-line payment of telephone, electricity and mobile phone bills
3) On-line booking of railway and air tickets  
4) On-line payment of taxes like service tax, direct tax etc.  
5) On-line booking of hotels/restaurants  
6) Display of information regarding banks products and services to facilitate cross selling.  
7) Transfer of funds  
8) Checking of one’s balance in his/her account  
9) Placing requests for cheque books etc.

Banks offer Green Banking which essentially involves shifting the conventional paper-based banking to the card-based banking, focusing on reduction of paper usage as well as saving of transaction time [p.72].

Present day banks interact with customers through Multiple Customers Touch Points in their banking process [p. 87].

Banks have started outsourcing non-core functions to avail the domain dexterity of the service provider, so that they can pay heed to their core activities [p. 89].

RBI has taken several initiatives in sensitizing banks for rendering efficient customer service- vital ingredient in customer relationship management which includes establishment of Banking Ombudsman Scheme 2006, advising banks to put disclaimers on the monitor when customers are carrying out online internet banking transactions, compensation for delay in collection of cheques/returning documents, securities and pension payments, reducing time lag for resolution of customer complaints on failed ATM transactions from 12 to 7 working days and announced that banks should devote exclusive time in a board meeting once every six months to deliberate on issues pertaining to customer service. All banks should submit a detailed memorandum regarding customer service to the board of directors once every six months and initiate prompt corrective action [pp. 90 - 93].

The nationalized banks, namely SBI and IOB include in its target the lower income group, which is excluded by private sector and nationalized banks. While CITI bank targets only the high end retail customers, ICICI, HDFC and Standard Chartered Banks target middle income and high income groups [p. 166].

Officials across all the banks converge on the view that customers direct inquiry, corporate relationship and references made by existing customers in the order of their relative importance are the primary modes of initiating relationship with the customers [p. 167].
From the present study, it is evident that none of the banks offer toilet facility to customers. Except Standard Chartered Bank, no other bank offers 7-day banking [p. 168].

While all banks communicate with customers, the means and the approach adopted by them vary across banks. ICICI, HDFC and Standard Chartered banks inform all customers regularly of new schemes, changes in interest rates or process, through advertisement, brochures, mailers and statements. CITI bank provides information to select customers whom they think require information. SBI and IOB provide information only to those who enquire [p. 169].

Officials across all the banks consider ATM facility, number of branches, service variety and ambience as important factors that influence customers in selecting a bank [pp. 169 - 171].

All officials have relegated “Parking facility and Credit/debit card facility [which customers across all the banks consider very important in selecting a bank] to tail-end importance, as can be seen from their rankings of these two factors depicted below:

<table>
<thead>
<tr>
<th>Bank Products</th>
<th>Common ranks given by</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Customers</td>
</tr>
<tr>
<td>ATM Facility</td>
<td>1</td>
</tr>
<tr>
<td>Parking Facility</td>
<td>2</td>
</tr>
<tr>
<td>Number of Branches</td>
<td>3</td>
</tr>
<tr>
<td>Service Variety</td>
<td>4</td>
</tr>
<tr>
<td>Credit/Debit Card Facility</td>
<td>5</td>
</tr>
<tr>
<td>Ambience</td>
<td>6</td>
</tr>
</tbody>
</table>

Officials across all the banks consider location, quality of service, simplicity in procedures, speedy operations and computerized service as important factors that influence customers in selecting a bank [pp. 172 - 174].

All officials have relegated banking hours, holiday service and secrecy/security to tail-end importance as can be seen from their rankings of these three factors depicted below:
Officials across all the banks consider courteous service, reliability and timely service as important “Personnel related reasons” influencing customers in selecting a bank [pp. 175 - 177].

All officials have relegated attentiveness and responsiveness [which customers across all the banks consider very important in selecting a bank] to tail end importance, as can be seen from their rankings of these two factors depicted below:

<table>
<thead>
<tr>
<th>Bank Services</th>
<th>Common ranks given by</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Customers</td>
</tr>
<tr>
<td>Quality of service</td>
<td>1</td>
</tr>
<tr>
<td>Location</td>
<td>2</td>
</tr>
<tr>
<td>Speedy Operations</td>
<td>3</td>
</tr>
<tr>
<td>Simplicity in procedures</td>
<td>4</td>
</tr>
<tr>
<td>Banking Hours</td>
<td>5</td>
</tr>
<tr>
<td>Holiday Service</td>
<td>6</td>
</tr>
<tr>
<td>Computerized Service</td>
<td>7</td>
</tr>
<tr>
<td>Secrecy/Security</td>
<td>8</td>
</tr>
</tbody>
</table>

To test the degree of agreeability among bank officials across all banks towards banking interactions and transactions, ANOVA test has been applied [pp. 178 - 180].
Application of ANOVA: For this purpose, following hypotheses were postulated:

H₀: Degree of agreeability among bank officials (regarding banking interactions and transactions) across banks do not differ significantly.
H₁: Degree of agreeability among bank officials (regarding banking interactions and transactions) across banks differ significantly.

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Squares</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Between Groups</strong></td>
<td>.967</td>
<td>5</td>
<td>.193</td>
<td>1.881</td>
<td>.107</td>
</tr>
<tr>
<td><strong>Within Groups</strong></td>
<td>8.019</td>
<td>78</td>
<td>.103</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8.986</td>
<td>83</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Since the p value (Sig. value of .107) is greater than .05, H₀ is accepted.

To find out bank wise differences in perceptions of customers and bank officials regarding banking interactions and transactions, “t” test was applied [p. 180]. Following hypotheses were framed for this purpose:

H₀: No significant difference between bank officials and customers perception.
H₁: There is a significant difference between bank officials and customers perception.

In all the six banks, H₀ was rejected.

All banks taken up for study have their own complaint handling mechanism in vogue [p.192].

The common complaint across all banks, as per bank officials, pertains to ATM/Debit/Credit cards [p.193].

All the banks taken for study claim that they resolve customer complaints within seven days, depending upon the nature of such issues [p. 193].

While SBI, Standard Chartered and CITI banks encounter 1 percent attrition rate, IOB, ICICI and HDFC face 2 percent customer attrition rate [pp. 193 - 194].
Bankers attribute the 1% and 2% customer attrition to reasons like Change in location of banks and customers, opening up of others banks in proximity with better amenities, over which bankers claim to have very little or no control [p. 194].

While SBI, IOB and HDFC organize customers meet once a month, CITI organizes the meet once in three months, ICICI and Standard Chartered resorts to such meeting on a half yearly basis. It is interesting to note that though the officials of the bank selected for study claim to organize customers meet with frequency ranging from once in a month to once in six months, about 92% of said bank customers are not aware of this. This may put the very purpose of organizing customers meet at stake [p. 195].

Sending greeting cards, gifting annual calendars and having regular interaction with customers are the common techniques adopted by all the banks taken for study to enhance their bonding with customers. In addition to the above, while ICICI and HDFC use personal calls, Standard Chartered uses the technique of assigning special executives to keep track of the customers to strengthen the relationship. Among the banks selected for study, CITI bank employs all the above techniques to elevate the relationship with their customers. Interestingly, about 64% of the customers taken up for study from the above banks say that their banks do not maintain personal relationship with them. Out of the 36% of those who claim that banks maintain a personal relationship with them, 76% say that they get greeting cards and calendars, followed by 10.74% for regular interaction, 7.34% for personal attention and 4.52% for personal calls [pp. 195 - 196].

All the banks taken up for research claim to have their own individual mechanism for assessing their customer satisfaction level. It is interesting to note that about 89% of the retail customers of the above banks considered for study say that they are not aware of their banks assessing customers’ satisfaction level [pp. 196 - 197].

While the officials of SBI and IOB are partly aware, officials of ICICI, HDFC, Standard Chartered and CITI banks are fully aware of the availability of CRM packages [p. 197].

While SBI and IOB have only partly implemented, officials of ICICI, HDFC, Standard Chartered and CITI claim to have implemented their CRM packages on a full scale [p. 198].
The analysis with respect to the second objective, are enlisted below.

With a cultural change fostered by western satellite invasion, and change in the Indian lifestyle, borrowing is no longer considered a taboo. Save and purchase mindset is gradually giving room to borrow and purchase. This augurs well for retail bankers [p. 58].

The increasing literacy rates have made people to try latest technology and wide variety of product and services. Peer pressure and demonstration effect is giving a shot in the arm for demand of consumer products, automobiles, housing and education loans [pp. 58 - 59].

Customers have started using technological marvels like ATMs, debit/credit cards, phone banking, mobile banking and internet banking. This has given a fillip to retail banking in India [p. 59].

The spread of banking industry has made banking habits percolate down to the lowest strata of the society. Thus, the present retail banking is characterized by customers whose expectations and needs are ever changing and whose preferences, payment patterns and banking habits are mixed [pp. 60 - 61].

Retail banking customers use both conventional brick and mortar retail banking and high-tech e-banking. The volume and value of paper based transaction have been increasing over the years albeit at a declining rate presumably due to the impact of high tech e-banking [p. 62].

Household savings has shown an increasing trend from 11.8% of GDP in 1970s to 23.5% of GDP during the period 2005-11 [p. 85].

Retail customers undertake banking operations through multiple customer touch points [p. 87].

The study has attempted to identify the critical factors which influence internet banking acceptance and its adoption. For this purpose step wise forward multiple regression has been applied to a set of ten independent variables and one dependent variable [pp. 133 - 136].
A regression model was developed with three independent variables, namely, security and privacy of internet banking services \( (X_{10}) \), internet banking services conserves time \( (X_3) \) and internet banking can be operated with ease \( (X_5) \), as follows:

\[
A = 5.665 - .860(X_{10}) - .232(X_3) - .196(X_5)
\]

All are significant at p value less than 0.05 and with adjusted R\(^2\) value of 71.50% and F = 83.622 with a significance of 0.000.

Mean score of retail banking customers on their degree of agreeability regarding statements related to banking interactions and transactions was calculated. A null hypothesis stating that the degree of agreeability among customers (regarding statements related to banking interactions and transactions) across banks do not differ significantly was postulated. ANOVA was administered which resulted in a F value of 0.374 with a significance of 0.865. Since the p value was greater than 0.05, null hypothesis was not rejected, implying that customers’ perception regarding banking interactions and transactions do not differ significantly across the six banks selected for study [pp. 137 - 139].

The study indicates that about 40% of customers opine that banks “rarely” communicate with them. About 15% of the sample respondents say that they “never” get any communication from bank. This indicates that banks should enhance their communication with customers. About 38% say they “often” get communication from bank. Only a paltry 7% opine that they get communication “very often” from banks [p. 148].

About 91% of the customers studied feel that the relationship with their banks is “moderate”, thus indicating a wide scope for improving customer relationship management. Only 5% say that their relationship is smooth, while 4% claim to have a “fine” relationship [p. 148].

Of the sample respondents selected for study, about 64% feel that their banks do not maintain any personal relationship with them. Only a paltry 36% say that their banks maintain personal relationship with them. Therefore, bankers should initiate steps to establish and maintain personal relationship with their customers [p. 149].

Out of 177 retail customers who claim that their banks maintain personal relationship with them, 76% say that this relationship is maintained through sending seasonal greeting and gifting calendars. The mode of “regular interaction” constitutes 11%, followed by “personal
about ‘attention’ at 7% and ‘personal calls’ at 5%. Only CITI bank alone offers special incentives to its customers [p. 149].

About 54% of the sample respondents selected for study, say they have complaints against their banks. This does not augur well for bankers in their customer relationship management. Out of 263 customers who have complaints against their banks, a majority (about 57%) say they have complaints related to ATM/Debit/Credit cards, followed by ‘failure on commitments’ at 23%, ‘charging without prior notice’ at 19%, and pension related complaints at about 6%. This indicates the areas which needs immediate mending by banks without any demur [p. 150].

The study indicates that retail customers across all banks prefer to settle their complaints directly with their banks rather than through banking ombudsman. This should be viewed as an opportunity by bankers to settle the customers’ complaints in the shortest duration, with a view to enhance customers’ satisfaction level [p. 151].

About 92% of the retail customers taken up for study say that they have no knowledge about their banks organising customers meet at periodic intervals. Bankers should take cognisance of this point and initiate steps to popularise customers meet organised by banks [p. 151].

About 89% out of the total 492 selected for study across six banks, say that their banks do not attempt to assess customers’ satisfaction level. This indicates that the modus operandi of the bankers to assess customers’ satisfaction level has not reached majority of the customers [p. 152].

Regarding customers satisfaction level, only about 9% say that they are highly satisfied with their banks. A majority (74% approximately) claim that they are only fairly satisfied. About 17% have maintained neutrality, i.e. neither satisfied nor dissatisfied. This show that banks need to do a lot more to satisfy their customers [p. 152].

The study reveals a relationship between customers’ satisfaction and their loyalty, and between customers’ loyalty and their holding more number of their bank’s products [pp. 153 - 165].
The Results of the regression analysis are summarised below:

(a) **Retail banking customers’ satisfaction and their loyalty:**

**Table 6.1 Retail banking customers’ satisfaction and their loyalty**

<table>
<thead>
<tr>
<th>Bank</th>
<th>Regression model</th>
<th>Model summary</th>
<th>ANOVA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>R</td>
<td>R²</td>
</tr>
<tr>
<td>SBI</td>
<td>$L = -164.227 + 56.770(S)$</td>
<td>.970</td>
<td>.942</td>
</tr>
<tr>
<td></td>
<td>$\text{Beta}= 0.970$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$t = 5.690, \text{Sig} = .030$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IOB</td>
<td>$L = -134.677 + 46.788(S)$</td>
<td>.977</td>
<td>.955</td>
</tr>
<tr>
<td></td>
<td>$\text{Beta}= 0.977$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$t = 6.525, \text{Sig} = .023$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI</td>
<td>$L = -184.553 + 61.176(S)$</td>
<td>.985</td>
<td>.970</td>
</tr>
<tr>
<td></td>
<td>$\text{Beta}= 0.985$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$t = 8.024, \text{Sig} = .015$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HDFC</td>
<td>$L = -127.316 + 43.621(S)$</td>
<td>.980</td>
<td>.960</td>
</tr>
<tr>
<td></td>
<td>$\text{Beta}= 0.980$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$t = 6.935, \text{Sig} = .020$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Std. Chrd.</td>
<td>$L = -118.873 + 40.505(S)$</td>
<td>.969</td>
<td>.938</td>
</tr>
<tr>
<td></td>
<td>$\text{Beta}= 0.969$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$t = 5.501, \text{Sig} = .031$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CITI</td>
<td>$L = -131.269 + 43.114(S)$</td>
<td>.977</td>
<td>.955</td>
</tr>
<tr>
<td></td>
<td>$\text{Beta}= 0.977$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$t = 6.519, \text{Sig} = .023$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$L = \text{Loyalty}$, $S = \text{Satisfaction}$
(b) Retail banking customers loyalty and their holding more number of their bank’s products:

Table 6.2 Retail banking customers loyalty and their holding more number of their bank’s products

<table>
<thead>
<tr>
<th>Bank</th>
<th>Regression model</th>
<th>Model summary</th>
<th>ANOVA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>R</td>
<td>R²</td>
</tr>
<tr>
<td>SBI</td>
<td>A = 2.726+0.114(L) Beta= 0.954 t = 4.518, Sig = .046</td>
<td>.954</td>
<td>.911</td>
</tr>
<tr>
<td>IOB</td>
<td>A = 1.643+0.124(L) Beta= 0.984 t = 7.879, Sig = .016</td>
<td>.984</td>
<td>.969</td>
</tr>
<tr>
<td>ICICI</td>
<td>A = 1.439+0.122(L) Beta= 0.988 t = 8.944, Sig = .012</td>
<td>.988</td>
<td>.976</td>
</tr>
<tr>
<td>HDFC</td>
<td>A = 1.488+0.130(L) Beta= 0.989 t = 9.583, Sig = .011</td>
<td>.989</td>
<td>.979</td>
</tr>
<tr>
<td>Std. Chrtd.</td>
<td>A = 0.488+0.130(L) Beta= 0.989 t = 9.583, Sig = .011</td>
<td>.989</td>
<td>.979</td>
</tr>
<tr>
<td>CITI</td>
<td>A = 0.766+0.189(L) Beta= 0.960 t = 4.846, Sig = .040</td>
<td>.960</td>
<td>.922</td>
</tr>
</tbody>
</table>

A = Average number of products held, L = Loyalty
In connection with the third, fourth and sixth objectives, the following were identified.

Retail banking customers across all the six banks selected for study, have delineated the following 19 factors as having high to very high influence on selection of banks [pp. 111 – 118], satisfaction level [pp. 140 - 142] and banker-customer relationship [pp. 143 - 145]:

**Bank Products:** ATM Facility, Parking Facility, Number of Branches, Service Variety, Credit Card/Debit Card Facility and Ambience in their respective order of importance.

**Bank Services:** Quality of Services, Location, Speedy Operations, Simplicity in Procedures, Banking Hours, Holiday service, Computerized Services and Secrecy/Security in their respective order of importance.

**Bank personnel related reasons:** Courteous Service, Timely Service, Reliability, Attentiveness and Responsiveness in their respective order of importance.

With respect to the fifth objective, the following findings were recorded.

The study has identified the following eight factors which exercise a very high influence level on prompting customers to move from one bank to another [pp. 146 - 147]: Change of residence, problematic ATM/Debit/Credit card facility, poor service quality, discourteous service, poor parking facility, lack of holiday service, lack of secrecy/security and poor attention.

Regarding the seventh objective, the following findings were noted.

To find out factor wise differences in perceptions of customers and bank officials regarding factors influencing banker–customer relationship [pp. 185 - 192], “t” test was applied. Following hypotheses were framed for this purpose:

H₀: There is no gap between retail customers’ and bank officials’ perception regarding variables influencing banker-customer relationship.

H₁: There exists a gap between retail customers’ and bank officials’ perception regarding variables influencing banker-customer relationship.

Across all the banks, H₀ is not rejected only for the following factors: ATM facility, Service Variety, Ambience, Number of branches, Location, Speedy operations, Simplicity in procedures, computerized services, Quality of services, Courteous service, Reliability and
Timely service. That is, with respect to the above twelve factors influencing banker-customer relationship, there exists no gap between bank officials’ and customers’ perceptions.

Incidentally, the above twelve factors happen to be the same as those influencing customers in their selection of banks from bank officials’ perspective across all banks selected for study.

In the case of the balance twenty five factors, there exists a significant gap between bank officials’ and customers’ perceptions regarding factors influencing banker-customer relationship.

For all the factors across all the banks selected for study, bankers’ perception score falls short of customers’ perception score.

With reference to the eighth objective, the following were identified.

To find out whether there is any significant difference between retail banking customers and bank officials regarding perceptions pertaining to factors influencing customers to switch banks, ‘t’ test was applied [pp. 181 - 183]. The following hypotheses were framed for this purpose:

H₀: There is no gap between retail customers’ and bank officials’ perception of reasons for customers switching banks.

H₁: There exists a gap between retail customers’ and bank officials’ perception of reasons for customers switching banks.

In the case of 13 factors out of 15 factors, H₀ was rejected. H₀ was not rejected only in the case of Problematic Debit/Credit/ATM card and Change of residence.

While addressing the ninth objective, the following findings were revealed.

To gauge the influence of the demographic factors of retail customers in their transition to ATM and Internet Banking and services availed through them [pp. 119 - 132], hypotheses were postulated for each of the six banks selected for study and chi-square test was applied to test them.
Transition to ATM

Gender:

As per the sample respondents selected for the study, the transition by male customers to e-banking seems to be more than female customers. The p value of chi-square across all the six banks considered for study indicates a significant difference between male and females in their transition to e-banking.

Age:

On the age front, across all the six banks, young customers appear to use ATM more often than elderly persons, illuminating the fact that while young are quick to brace the novice electronic banking, elderly persons are tardy in their transition process. The p value of chi-square across all the six banks considered for study, indicates a significant difference among the age group in their transition to e-banking.

Qualification:

Across all the six banks, the number of ATM users appears to scale up with increase in education, suggesting that education do have a significant impact on using ATM. The chi-square value with p=0.00 across all the six banks show the impact of qualification status of the sample respondents selected for study on their transition to e-banking.

Occupation:

Among the sample respondents, those who are self-employed use ATM to the maximum extent, followed by private sector, except in the case of ICICI bank where those employed in the private sector dominate the users’ list. Retired persons occupy the lower rung in the users’ ladder. The p value of chi-square across all the six banks selected for study show the difference is significant at 95% confidence interval.

Income per month:

For the sample respondents across all the six banks, monthly income also influence the use of ATM technology as pointed out by the chi-square value with p less than 0.05. There is a positive correlation between income level and users, i.e. as the income increases, resorting to ATM facility also enhances.
Services availed at ATM:

Gender:

A majority of the sample respondents selected for study, use ATM for withdrawing cash and balance enquiry. Only a few use it for depositing cash and cheque and for other services. Female respondents use more of ATM facility for withdrawing cash and balance enquiry than for deposits and other services. Comparatively, males use them more for deposits and other services. The p values across all the six banks ranging between 0.007 and 0.028 are significant at 95% confidence level.

Age:

Of the sample respondents, young customers seem to utilize more of variety of services at ATM than the elderly, indicating that they can more easily adapt themselves to e-banking than elders. The p values of the chi-square across all the six banks considered for study show the significant differences among the age group in the use of an array of ATM services.

Qualification:

On similar line, as per the details of the sample respondents tabulated in the study, highly qualified avail more of the multiple services offered at ATM than those with lower qualification status across all the six banks. The p values ranging between 0.000 and 0.026, point out that there is significant impact of education on availing ATM services.

Occupation:

While the retired persons across all the six banks use lesser of the multiple services offered at ATM, it is self-employed and those employed in the private sector who avail the major share, followed by Government sector. The p values ranging between 0.000 and 0.033, point out that the occupation status of the sample respondents has a significant impact on availing ATM services.

Income per month:

It is interesting to note that as the income level increases, the extent of availing multiple services at ATM also increases in the case of SBI, ICICI and CITI banks. In the case of IOB, HDFC and Standard Chartered banks, even the sample respondents in the income group of below Rs.20,000 appear to avail more variety of services at ATM. Thus, income level also
significantly influences the extent of utilizing the array of services offered at ATM, as chi-square values with p less than 0.05 indicate.

**Transition to Internet banking:**

**Gender:**

A majority of both male and female sample respondents do not use much of internet banking. The p values across all the six banks indicate that the difference is not significant between male and female in their transition to internet banking.

**Age:**

Young retail banking customers in the sample selected for study appear to use more of internet banking than the old ones, pointing out their agility in the adoption of internet banking. The chi-square and p values indicate the significant difference in the age group in their transition to internet banking.

**Qualification:**

Since qualification enables one to understand things in much better perspective, education status influences the use of internet banking. Across all the six banks, the sample respondents with higher qualification use more of internet banking than those with lesser education. The significance of chi-square shows that internet banking is popular among highly qualified persons than among customers with lesser qualification.

**Occupation:**

Occupational status seems to make much of a difference in the adoption of internet banking. Those who are self-employed and those employed in the private and Government sector appear to use more of internet banking than those who are retired from active service. The significant p values across all the six bank chosen for study, indicate the difference in occupational status in the utilization of internet banking.

**Income per month:**

Those in the higher income bracket, who can afford the required infrastructure, seem to avail more of internet banking technology in contrast with those of less fortunate. The p values of less than 0.05 as indicated shows the impact of income level on transition to internet banking.
Services availed through Internet banking:

Gender:

It is evident that a majority of sample respondents (both male and female) appear to use more of non-transactional services than banking transactional and other services. The study indicates that across all the six banks, male and female do not differ significantly in their availing of the variety of services through internet banking.

Age:

The sample respondents chosen for study shows that elderly people use less of the services offered through internet banking than young ones. Chi-square p values of less than 0.05 indicates that age does have significant impact on the services availed through internet banking.

Qualification:

Those in the higher education strata seem to avail more of the variety of services offered through internet banking than those with lower education. The chi-square and p values indicate the difference in adoption of an array of services offered through internet banking among the different educated class of the sample respondents.

Occupation:

Retired persons use very less of the variety of services offered through internet banking than those who self-employed and those employed in the private and Government sector. Their significant p values across all the six banks conform their difference in availing assorted services through internet banking.

Income per month:

Those in the higher income bracket appear to use more of the services offered through internet banking than others. Their chi-square and significant p values across all the six banks conform their difference in availing an assorted service through internet banking.