

# **CHAPTER V**

## **ATTITUDE OF DEPOSITORS TOWARDS POSTAL SAVING SCHEMES**

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## 5.1 INTRODUCTION

Characteristics of people like personality, lifestyles and attitudes, provide marketers with a fuller understanding of consumer behavior. To understand the attitude of people, marketers need to know how consumers develop beliefs about and preferences based on the information they have processed. Lifestyle is considered to be one of the most popular concepts in marketing as a way of understanding people. Lifestyles are measured by the attitudes, interests and opinions of people. The attitude of consumer or buyer decides how demand will emerge for a new product and service and how existing goods and services will be sold. The attitude in turn depends upon many economic, social, cultural and climatic factors. The decisions are also influenced by education, stage of economic development, life style, information, size of family and host of other factors.<sup>1</sup>

## 5.2 ATTITUDE OF DEPOSITORS TOWARDS POSS

Attitude can also be defined as “learned dispositions to respond to an object or class of objects in a consistently favourable or unfavourable manner with respect to a given stimuli.<sup>2</sup> Attitudes can express consumer’s self-images and value systems. Advertisers usually try to appeal to the value–expressive nature of attitudes by implying that used or purchase of a certain item which will lead to self – enhancement.

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1 P.C. Jain. Monika Bhatt, (2008), **Consumer Behaviour in Indian context**, S. Chand and Company Ltd., New Delhi, P.38.

2 Dr. S.L. Gupta. Sumitrapal, (2007), **Consumer Behaviour**, Sultan Chand and sons, New Delhi, P.224.

### **5.2.1 FRAME OF ATTITUDE SCALE**

The development of postal service depends upon the attitude of respondents. The attitude of respondents is measured through 20 variables in Likert's five point scale. For each item, the respondents are required to respond by selecting any of the five responses namely strongly agree, agree, no opinion, disagree, strongly disagree and the scores for each response is 5, 4, 3, 2 and 1 respectively.

The responses given by the respondents are presented in table 5.1

**Table 5.1**  
**Attitude of the respondents towards Post Office Saving Schemes**

| <b>Sl. No.</b> | <b>Statement</b>  | <b>Strongly Agree</b> | <b>Agree</b>    | <b>No Opinion</b> | <b>Disagree</b> | <b>Strongly Disagree</b> | <b>Total</b>  |
|----------------|---|-----------------------|-----------------|-------------------|-----------------|--------------------------|---------------|
| 1              | Guarantees a secure and comfortable life                  | 160<br>(32.85%)       | 293<br>(60.16%) | 20<br>(4.11%)     | 14<br>(2.87%)   | 0<br>(0%)                | 487<br>(100%) |
| 2              | A token to a better future                                | 172<br>(35.32%)       | 291<br>(59.75%) | 5<br>(1.03%)      | 19<br>(3.9%)    | 0<br>(0%)                | 487<br>(100%) |
| 3              | Current increase in expenditure is a hindrance            | 129<br>(26.49%)       | 306<br>(62.83%) | 9<br>(1.85%)      | 43<br>(8.83%)   | 0<br>(0%)                | 487<br>(100%) |
| 4              | Gives a guaranteed return                                 | 106<br>(21.77%)       | 328<br>(67.35%) | 46<br>(9.45%)     | 6<br>(1.23%)    | 1<br>(0.21%)             | 487<br>(100%) |
| 5              | Less awareness among the public                           | 167<br>(34.29%)       | 197<br>(40.45%) | 65<br>(13.35%)    | 17<br>(3.49%)   | 41<br>(8.42%)            | 487<br>(100%) |
| 6              | POSS is only for availing tax benefits                    | 127<br>(26.08%)       | 292<br>(59.96%) | 38<br>(7.8%)      | 30<br>(6.16%)   | 0<br>(0%)                | 487<br>(100%) |
| 7              | Best opinion in terms of accessibility and affordability  | 115<br>(23.61%)       | 314<br>(64.48%) | 29<br>(5.95%)     | 29<br>(5.95%)   | 0<br>(0%)                | 487<br>(100%) |
| 8              | Every person should have an POSS account                  | 76<br>(15.61%)        | 124<br>(25.46%) | 196<br>(40.25%)   | 76<br>(15.61%)  | 15<br>(3.08%)            | 487<br>(100%) |
| 9              | Ready to cut down my personal expenditure for POSS        | 60<br>(12.32%)        | 58<br>(11.91%)  | 146<br>(29.98%)   | 186<br>(38.19%) | 37<br>(7.6%)             | 487<br>(100%) |
| 10             | Only the post office schemes are serving the rural people | 58<br>(11.91%)        | 109<br>(22.38%) | 170<br>(34.91%)   | 86<br>(17.66%)  | 64<br>(13.14%)           | 487<br>(100%) |

| Sl. No. | Statement   | Strongly Agree  | Agree           | No Opinion      | Disagree        | Strongly Disagree | Total         |
|---------|---|-----------------|-----------------|-----------------|-----------------|-------------------|---------------|
| 11      | Safest form of savings in comparison with other investment patterns                 | 72<br>(14.78%)  | 174<br>(35.73%) | 126<br>(25.87%) | 100<br>(20.53%) | 15<br>(3.08%)     | 487<br>(100%) |
| 12      | Post offices should try to offer subsidiary services like banks                     | 164<br>(33.68%) | 301<br>(61.81%) | 18<br>(3.7%)    | 4<br>(0.82%)    | 0<br>(0%)         | 487<br>(100%) |
| 13      | Rate of interest is low when compared with competitors                              | 242<br>(49.69%) | 232<br>(47.64%) | 10<br>(2.05%)   | 3<br>(0.62%)    | 0<br>(0%)         | 487<br>(100%) |
| 14      | Tries to offer mediclaim policies also  | 85<br>(17.45%)  | 392<br>(80.49%) | 9<br>(1.85%)    | 1<br>(0.21%)    | 0<br>(0%)         | 487<br>(100%) |
| 15      | All postal branches in rural areas should be computerized to offer better services  | 170<br>(34.91%) | 301<br>(61.81%) | 11<br>(2.26%)   | 4<br>(0.82%)    | 1<br>(0.21%)      | 487<br>(100%) |
| 16      | Gives better returns when compared to other saving options                          | 75<br>(15.4%)   | 74<br>(15.2%)   | 95<br>(19.51%)  | 188<br>(38.6%)  | 55<br>(11.29%)    | 487<br>(100%) |
| 17      | Post office schemes are a boon to poor households                                   | 134<br>(27.52%) | 256<br>(52.57%) | 62<br>(12.73%)  | 27<br>(5.54%)   | 8<br>(1.64%)      | 487<br>(100%) |
| 18      | POS caters with schemes based on our income level                                   | 100<br>(20.53%) | 273<br>(56.06%) | 78<br>(16.02%)  | 30<br>(6.16%)   | 6<br>(1.23%)      | 487<br>(100%) |
| 19      | Post office schemes create awareness about saving among children                    | 82<br>(16.84%)  | 235<br>(48.25%) | 129<br>(26.49%) | 35<br>(7.19%)   | 6<br>(1.23%)      | 487<br>(100%) |
| 20      | Post offices should also act as collection centers for EB and other tax collections | 178<br>(36.55%) | 268<br>(55.03%) | 40<br>(8.21%)   | 1<br>(0.21%)    | 0<br>(0%)         | 487<br>(100%) |

Source: Primary data

It could be inferred from table 5.1 that 60.16 percent respondents agree that post office saving schemes guarantee a secured and comfortable life. 59.75 percent respondents agree that POSS is a token to a better future. 62.83 percent respondents agree that current increase in expenditure is a hindrance to save in POSS. 67.35 percent respondents agree that POSS give a guaranteed return. Awareness is not enough about POSS is agreed by 40.45 percent respondents. 56.06 percent respondents agree that POSS caters with schemes based on their income level. 64.48 percent respondents have best opinion in terms of accessibility and affordability. 40.25 percent respondents agree that everyone should have a POSS account. 38.19 percent respondents are not ready to cut down their personal expenditure for having a POSS account. 59.96 percent respondents give the opinion that POSS is only for availing tax benefits. 35.73 percent respondents agree that POSS is the safest form of savings in comparison with other investment patterns. 61.81 percent respondents agree that post offices should try to offer subsidiary services like banks. 49.69 percent respondents strongly agree that the rate of interest of POSS is low when compared with competitors. It is agreed by 80.49 percent respondents that post office should also try to offer mediclaim policies. 61.81 percent respondents agree that all postal branches in rural areas should be computerized to offer better services. POSS gives better returns when compared to other saving options is disagreed by 38.6 percent of the respondents. For 52.57 percent of the respondents, it is true that POSS are a boon to poor households. 56.06 percent respondents opined that only the POSS are serving the rural people. It is agreed by 48.25 percent respondents that POSS create awareness about saving among children. 55.03 percent respondents agree that post offices should also act as collection centers for EB and other tax collections.

Table 5.2 gives details about the scores obtained for each item and their respective ranks among them according to the mean score.

**Table 5.2**  
**Scores and ranks of attitude of depositors towards POSS**

| Item  | Sum   | Mean  | Std.<br>Deviation | Rank |
|---|-------|-------|-------------------|------|
| Guarantees a secure and comfortable life  | 2060  | 4.23  | .658              | 6    |
| A token to a better future  | 2077  | 4.26  | .671              | 5    |
| Current increase in expenditure is a hindrance                                      | 1982  | 4.07  | .796              | 9    |
| Gives a guaranteed return   | 1993  | 4.09  | .610              | 8    |
| Less awareness among the public   | 1893  | 3.89  | 1.168             | 13   |
| POSS is only for availing tax benefits  | 1977  | 4.06  | .763              | 10   |
| Best opinion in terms of accessibility and affordability                            | 1976  | 4.06  | .729              | 11   |
| Every person should have an POSS account  | 1631  | 3.35  | 1.019             | 17   |
| Ready to cut down my personal expenditure for POSS                                  | 1379  | 2.83  | 1.128             | 20   |
| Only the post office schemes are serving the rural people                           | 1472  | 3.02  | 1.185             | 18   |
| Safest form of savings in comparison with other investment patterns                 | 1649  | 3.39  | 1.063             | 16   |
| Post offices should try to offer subsidiary services like banks                     | 2086  | 4.28  | .572              | 3    |
| Rate of interest is low when compared with competitors                              | 2174  | 4.46  | .572              | 1    |
| Tries to offer mediclaim policies also  | 2022  | 4.15  | .423              | 7    |
| All postal branches in rural areas should be computerized to offer better services  | 2096  | 4.30  | .576              | 2    |
| Gives better returns when compared to other saving options                          | 1387  | 2.85  | 1.259             | 19   |
| Post office schemes are a boon to poor households                                   | 1942  | 3.99  | .879              | 12   |
| POS caters with schemes based on our income level                                   | 1892  | 3.89  | .843              | 14   |
| Post office schemes create awareness about saving among children                    | 1813  | 3.72  | .870              | 15   |
| Post offices should also act as collection centers for EB and other tax collections | 2084  | 4.28  | .615              | 4    |
| <b>Total</b>  | 37585 | 77.18 | 8.045             |      |

**Source:** Primary data

Table 5.2 reveals that the response,” rate of interest of POSS is low when compared with competitors” gets 1<sup>st</sup> rank. “All postal branches in rural areas should be computerized to offer better services” gets 2<sup>nd</sup> rank. “Post offices should try to offer subsidiary services like banks” occupies 3<sup>rd</sup> rank. The 4<sup>th</sup> rank goes to the attitude that “post offices should also act as collection centers for EB and other tax collections”. “POSS is a token to a better future” ranks 5<sup>th</sup> .”The respondents are not ready to cut down their personal expenditure for POSS” ranks 20<sup>th</sup>.

### 5.2.1.1 ATTITUDE SCORE OF THE RESPONDENTS

The attitude score of respondents towards post offices is obtained by calculating the arithmetic mean (AM) and standard deviation (SD) of the total scores obtained by the respondents in all the twenty statements. For this purpose, the respondents are classified into three categories based on the attitude of post office saving schemes namely low, medium and high.

Table 5.3 shows the attitude score of the respondents regarding the post office saving schemes in Kanyakumari District.

**Table 5.3**  
**Attitude Score of the respondents**

| Sl. No.   | Particulars        | Value  |
|---|--------------------|--------|
| 1   | Sum of Scores      | 37585  |
| 2   | No. of Respondents | 487    |
| 3   | Mean               | 77.18  |
| 4   | Variance           | 64.722 |
| 5   | Standard Deviation | 8.045  |
| Low level (Mean-SD) < 70 (69.13)<br>Medium level - 70 to 85<br>High level (Mean+SD) >85 (85.22) |                    |        |

**Source:** Primary Data



The arithmetic mean and the standard deviation are calculated for the total scores awarded to all the sample respondents in the study area. It is clear from table 5.3 that the mean scores of the sample respondents are worked out to 77.18 and the standard deviation is 8.045. The scores of the arithmetic mean plus standard deviation come to 85.22. The arithmetic mean minus standard deviation comes to 69.13. The classification of the respondents is made on the basis of their scores.

### 5.2.1.2. Level of Attitude Towards POSS

The level of attitude of sample respondents who have expressed their opinion as to the post office saving schemes have been given here. The level of attitude falls under three categories such as low, medium and high. If a respondent's score is less than  $AM - SD$ , then it falls under low level of attitude and if the score is greater than  $AM + SD$ , then it goes to high level, otherwise it is medium level of attitude.

Table 5.4 shows the level of attitude of the respondents regarding the post office saving schemes in Kanyakumari District.

**Table 5.4**  
**Level of attitude towards POSS**

| <b>Level of attitude towards POSS</b> | <b>Frequency</b> | <b>Percent</b> |
|---------------------------------------|------------------|----------------|
| Low                                   | 62               | 12.7           |
| Medium                                | 345              | 70.8           |
| High                                  | 80               | 16.4           |
| <b>Total</b>                          | <b>487</b>       | <b>100.0</b>   |

Table 5.4 shows that 70.8 percent respondents have medium level of attitude towards post office saving schemes. 16.4 percent respondents have high level of

attitude towards post office saving schemes and 12.7 percent respondents have low level of attitude towards post office saving schemes.

### **5.3. Factors Influencing the Level of Attitude**

The attitude of the respondents is influenced by factors such as Age, Place of residence, Gender, Marital Status, Educational Qualification, Occupation, Monthly income, Type of house, Family Status, Size of Family, Number of earning members, Pension benefits and Surplus for saving. The relationship between these variables and the level of attitude has been analyzed and the influence of these variables on the level of attitude has been tested.

Since the scores of attitude towards POSS are not normally distributed (Kolmogorov – Smirnov test statistic = 0.00,  $P < 0.05$ ), the non – parametric Kruskal Wallis test has been applied to test whether the personal factors namely Age, Place of Residence, Educational Qualification, Occupation, Monthly income, Type of housing, Family status, Size of family and number of earning members in the family have any significant relationship with the attitude towards POSS.

Demographic factors having only two categories of responses Gender, Marital Status, Pension benefits and surplus for saving are analysed with Mann - Whitney Test to study their relationship with attitude of depositors towards POSS.

#### **5.3.1 Age**

Age plays a vital role in the attitude of the respondents towards savings. It is natural that middle age group people are more inclined towards savings. This may be probably due to the fact that they fall in the earning category along with the fact that

they have the responsibility to shoulder their family. Their scope for earning is also brighter due to their age and opportunities. For the aged people, their scope for earning decreases and their source of savings comes mainly through their past income and savings and their dependency of their children. Their need for savings is also generally limited for their future livelihood. Hence, the respondents are asked to state their age and the data are compiled and shown in table 5.5.

**Table 5.5**  
**Age wise Classification of the respondents**

| Age          | Frequency  | Percent      |
|--------------|------------|--------------|
| 15 – 30      | 68         | 14.0         |
| 30 – 45      | 202        | 41.5         |
| 45 – 60      | 158        | 32.4         |
| Above 60     | 59         | 12.1         |
| <b>Total</b> | <b>487</b> | <b>100.0</b> |

**Source:** Primary data

Table 5.5 shows that 41.5 percent respondents are between the age group of 30 – 45 years, 32.4 percent respondents are between the age group of 45-60 years and 12.1 percent respondents are above 60 years.

The relationship between age of the respondents and their level of attitude is presented in table 5.6.

**Null hypothesis:** There is no significant relationship between Age of the respondents and their attitude towards POSS.

**Table 5.6**  
**Age and attitude towards POSS**

|                                   | Age   | N   | Mean Rank | Chi-square value | 'p' Value | Significant /Not significant |
|-----------------------------------|-------|-----|-----------|------------------|-----------|------------------------------|
| Total Score -Attitude towards POS | 15-30 | 68  | 226.99    | 42.272           | 0.000     | Significant                  |
|                                   | 30-45 | 202 | 209.66    |                  |           |                              |
|                                   | 45-60 | 158 | 303.01    |                  |           |                              |
|                                   | >60   | 59  | 223.17    |                  |           |                              |
|                                   | Total | 487 |           |                  |           |                              |

From table 5.6, it is obvious that the respondents in the age group of 45 - 60 with highest mean rank of 303.01 having positive attitude towards POSS. The test result shows that since significance level ( $P = 0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the age group and the level of attitude of the sample respondents towards POSS.

### 5.3.2 Place of Residence

Place of residence can also influence the savings pattern. The people can make savings decisions according to their living environment. Mostly, people living in rural areas have less knowledge about the modern saving options. They are not in a condition to save more. So they prefer mostly small savings schemes, but the people who are living in semi-urban and urban areas have awareness about the modern saving options. The residence-wise classification of sample respondents is given in table 5.7.

**Table 5.7**  
**Residence-wise classification of the respondents**

| <b>Place of Residence</b> | <b>Frequency</b> | <b>Percent</b> |
|---------------------------|------------------|----------------|
| Rural                     | 220              | 45.2           |
| Semi – urban              | 136              | 27.9           |
| Urban                     | 131              | 26.9           |
| <b>Total</b>              | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

Table 5.7 depicts that 45.2 percent respondents are living in rural areas, 27.9 percent respondents are living in semi-urban areas and 26.9 percent respondents are living in urban areas.

The relationship between place of residence of the respondents and their level of attitude is presented in table 5.8.

**Null hypothesis :** There is no significant relationship between place of residence and their attitude towards POSS.

**Table 5.8**  
**Place of residence and attitude towards POSS**

| <b>Place of residence</b>          |            | <b>N</b> | <b>Mean Rank</b> | <b>Chi-square value</b> | <b>'p' Value</b> | <b>Significant /Not significant</b> |
|------------------------------------|------------|----------|------------------|-------------------------|------------------|-------------------------------------|
| Total Score - Attitude towards POS | Rural      | 220      | 268.24           | 12.349                  | 0.002            | Significant                         |
|                                    | Semi-urban | 136      | 229.33           |                         |                  |                                     |
|                                    | Urban      | 131      | 218.53           |                         |                  |                                     |
|                                    | Total      | 487      |                  |                         |                  |                                     |

It is known from table 5.8 that the respondents living in rural areas with highest mean rank of 268.24 are having positive attitude towards POSS. The test result shows that, since significance level (P= 0.001) is less than the table value 0.05,

the null hypothesis is rejected and it is concluded that there is significant relationship between place of residence of the respondents and their attitude towards POSS.

### 5.3.3 Educational Qualification

Education gives a person good knowledge and wisdom. It is an important criteria which determines an individual's status in the society. It also determines an individual's occupation and the standard of living. Though the scale of education varies like high education and basic education, education offers a person ample scope to become knowledgeable. It also stimulates a person towards savings. However, being an illiterate, though there may be a desire towards savings, they need assistance to make it a reality. The illiterate person has to depend on others to get to know the different avenues of savings. Hence, education is a significant variable, level of education of the sample respondents are given in table 5.9.

**Table 5.9**  
**Educational Qualification of the respondents**

| <b>Educational Qualification</b> | <b>Frequency</b> | <b>Percent</b> |
|----------------------------------|------------------|----------------|
| Illiterate                       | 20               | 4.1            |
| School Education                 | 154              | 31.6           |
| Under Graduation                 | 162              | 33.3           |
| Post Graduation                  | 121              | 24.8           |
| Others                           | 30               | 6.2            |
| <b>Total</b>                     | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

It can be seen from table 5.9 that 33.3 percent respondents have completed under Graduation, 31.6 percent respondents have completed school education, 24.8 percent respondents have completed post graduation and 4.1 percent respondents are illiterate.

The relationship between educational qualification of the respondents and their level of attitude is presented in table 5.10.

**Null hypothesis:** There is no significant relationship between educational qualification and attitude towards POSS of the respondents.

**Table 5.10**  
**Educational qualification and attitude towards POSS**

|                                    | <b>Educational Qualification</b> | <b>N</b> | <b>Mean Rank</b> | <b>Chi-square value</b> | <b>'p' Value</b> | <b>Significant /Not significant</b> |
|------------------------------------|----------------------------------|----------|------------------|-------------------------|------------------|-------------------------------------|
| Total Score - Attitude towards POS | Illiterate                       | 20       | 203.75           | 27.388                  | 0                | Significant                         |
|                                    | School Education                 | 154      | 284.6            |                         |                  |                                     |
|                                    | UG                               | 162      | 208.43           |                         |                  |                                     |
|                                    | PG                               | 121      | 254.98           |                         |                  |                                     |
|                                    | Others                           | 30       | 210.22           |                         |                  |                                     |
|                                    | Total                            | 487      |                  |                         |                  |                                     |

Table 5.10 shows that the respondents completed school education with highest mean rank of 284.6 are having positive attitude towards POSS. The test result shows that, since significance level ( $P = 0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the educational qualification of the respondents and their attitude towards POSS.

### **5.3.4 Occupation**

A person's education is related to the educational level, opportunity and the traditional knowledge. These factors determine the type of job one employed with. Savings have an influence on occupation. Though the savings is made with the common goal of security, the scale of savings is determined by the nature of the

occupation. People in the business segment, private employees and professionals opt for higher percentage of savings keeping in mind of their stability of income and lack of social security. People representing government employees and pensioners have different approach as the former is influenced by stable income and surplus for saving and tax benefits. Hence, an attempt is made to categorize the respondents according to their occupation in table 5.11.

**Table 5.11**  
**Occupation of the respondents**

| Occupation          | Frequency  | Percent      |
|---------------------|------------|--------------|
| Agriculture         | 26         | 5.3          |
| Business            | 73         | 15.0         |
| Government Employee | 55         | 11.3         |
| Private Employee    | 171        | 35.1         |
| Pensioner           | 37         | 7.6          |
| Professionals       | 29         | 6.0          |
| Housewife           | 47         | 9.7          |
| Others              | 49         | 10.1         |
| <b>Total</b>        | <b>487</b> | <b>100.0</b> |

**Source:** Primary data

It is clear from table 5.11 that 35.1 percent respondents are private employees, 15 percent respondents are doing business , 11.3 percent respondents are government employees and 5.3 percent respondents are engaged in agriculture.

The relationship between occupation of the respondents and their level of attitude is presented in table 5.12.

**Null hypothesis :** There is no significant relationship between occupation of the respondents and the attitude towards POSS.



**Table 5.12**  
**Occupation and attitude towards POSS**

| Occupation                         |                     | N   | Mean Rank | Chi-square value | 'P' Value | Significant /Not significant |
|------------------------------------|---------------------|-----|-----------|------------------|-----------|------------------------------|
| Total Score - Attitude towards POS | Agriculture         | 26  | 254.9     | 55.68            | 0         | Significant                  |
|                                    | Business            | 73  | 222.05    |                  |           |                              |
|                                    | Government Employee | 55  | 278.92    |                  |           |                              |
|                                    | Private Employee    | 171 | 292.67    |                  |           |                              |
|                                    | Pensioner           | 37  | 220.97    |                  |           |                              |
|                                    | Others              | 49  | 191.57    |                  |           |                              |
|                                    | Professionals       | 29  | 144.28    |                  |           |                              |
|                                    | House wife          | 47  | 188.46    |                  |           |                              |
|                                    | Total               | 487 |           |                  |           |                              |

It can be seen from table 5.12 that the respondents working in private jobs with highest mean rank of 292.67 are having positive attitude towards POSS. The test result shows that, since significance level ( $P = 0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the occupation of the respondents and their attitude towards POSS.

### **5.3.5. Monthly income**

Income plays a crucial factor for savings. It also influences a person's social status and standard of living. Person with higher income has better scope for savings due to surplus and necessity. Persons with low income are less disposed towards savings due to their lack of surplus money. Table 5.13 presents with respondents with varied income levels.

**Table 5.13**  
**Monthly income of the respondents**

| Monthly income          | Frequency  | Percent      |
|-------------------------|------------|--------------|
| < Rs. 10,000            | 133        | 27.3         |
| Rs. 10,000 – Rs. 20,000 | 246        | 50.5         |
| Rs. 20,001 - Rs. 30,000 | 79         | 16.2         |
| >Rs. 30,000             | 29         | 6.0          |
| <b>Total</b>            | <b>487</b> | <b>100.0</b> |

**Source:** Primary data

It is observed from table 5.13 that 50.5 percent respondents earn income ranging from Rs. 10,000 to Rs. 20,000, 27.3 percent respondents earn income below 10000 and 6 percent respondents earn income above Rs. 30,000.

The relationship between monthly income of the respondents and their level of attitude is presented in table 5.14.

**Null hypothesis :** There is no significant relationship between monthly income of the respondents and the attitude towards POSS.

**Table 5.14**  
**Monthly income and attitude towards POSS**

|                                    | Monthly income        | N   | Mean Rank | Chi-square value | 'p' Value | Significant /Not significant |
|------------------------------------|-----------------------|-----|-----------|------------------|-----------|------------------------------|
| Total Score - Attitude towards POS | <Rs.10,000            | 133 | 251.97    | 16.27            | 0.001     | Significant                  |
|                                    | Rs.10,000 - Rs.20,000 | 79  | 283.35    |                  |           |                              |
|                                    | Rs.20,001 - Rs.30,000 | 246 | 236.22    |                  |           |                              |
|                                    | >Rs.30,000            | 29  | 166.28    |                  |           |                              |
|                                    | Total                 | 487 |           |                  |           |                              |

It is observed from table 5.14 that the respondents getting monthly income between Rs. 10,000 – Rs. 20,000/- with highest mean rank of 283.35 are having positive attitude towards POSS. The test result shows that, since significance level ( $P = 0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the monthly income of the respondents and their attitude towards POSS.

### 5.3.6. Type of House

The house plays a significant role in shaping a persons life events. Having a house is a matter of pride for all individuals. One of the goals of every individual is to possess own an own house during their lifetime and it is also a purpose of saving. The saving tendency has an influence amongst the own householders and the others. Own householders have a better approach towards savings as their rent is saved and in some cases own house acts as also a source of income. On the other side, people in rented house feel the burden in the form of monthly rentals which is a hindrance towards savings. The nature of house of the respondents is given in table 5.15.

**Table 5.15**  
**Type of House of the respondents**

| Type of house | Frequency  | Percent      |
|---------------|------------|--------------|
| Owned         | 365        | 74.9         |
| Rented        | 75         | 15.4         |
| Leased        | 47         | 9.7          |
| <b>Total</b>  | <b>487</b> | <b>100.0</b> |

**Source:** Primary data

Table 5.15 exhibits that 74.9 percent respondents having own house , 15.4 percent respondents having rented house and 9.7 percent respondents are living in leased houses.

The relationship between type of house of the respondents and their level of attitude is presented in table 5.16.

**Null hypothesis:** There is no significant relationship between type of house of the respondents and the attitude towards POSS.

**Table 5.16**  
**Type of house and attitude towards POSS**

|                                    | Type of house | N   | Mean Rank | Chi-square value | 'P' Value | Significant /Not significant |
|------------------------------------|---------------|-----|-----------|------------------|-----------|------------------------------|
| Total Score - Attitude towards POS | Owned         | 365 | 252.54    | 11.278           | 0.004     | Significant                  |
|                                    | Rental        | 75  | 194.03    |                  |           |                              |
|                                    | Leased        | 47  | 257.45    |                  |           |                              |
|                                    | Total         | 487 |           |                  |           |                              |

Table 5.16 exhibits that the respondents having leased house with highest mean rank of 257.45 are having positive attitude towards POSS. The test result shows that, since significance level ( $p=0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the type of house and their attitude towards POSS.

### 5.3.7 Size of Family

The number of members in a family is a major influence on the pattern of savings. Families in which members are high, there is high expenditure and there is

less surplus for savings. At the same time, families which are having less members, there is always a huge scope for savings due to low expenditure. The size of the family of the respondents is given in table 5.17.

**Table 5.17**  
**Size of family of the respondents**

| <b>Size of family</b> | <b>Frequency</b> | <b>Percent</b> |
|-----------------------|------------------|----------------|
| 1                     | 6                | 1.2            |
| 2                     | 42               | 8.6            |
| 3                     | 225              | 46.2           |
| 4                     | 158              | 32.4           |
| >4                    | 56               | 11.5           |
| <b>Total</b>          | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

It is evident from table 5.17 that 46.2 percent respondents having 3 members in their family, 32.4 percent respondents having 4 members, 11.5 percent respondents having more than 4 members and family of 1.2 percent respondents have one member.

The relationship between size of family of the respondents and their level of attitude is presented in table 5.18.

**Null hypothesis:** There is no significant relationship between the size of family of the respondents and the attitude towards POSS.

**Table 5.18**  
**Size of family and attitude towards POSS**

|                                    | <b>Size of family</b> | <b>N</b> | <b>Mean Rank</b> | <b>Chi-square value</b> | <b>'p' Value</b> | <b>Significant /Not significant</b> |
|------------------------------------|-----------------------|----------|------------------|-------------------------|------------------|-------------------------------------|
| Total Score - Attitude towards POS | 1                     | 6        | 249.5            | 77.276                  | 0                | Significant                         |
|                                    | 2                     | 42       | 217.67           |                         |                  |                                     |
|                                    | 3                     | 225      | 301.37           |                         |                  |                                     |
|                                    | 4                     | 158      | 175.86           |                         |                  |                                     |
|                                    | >4                    | 56       | 224.88           |                         |                  |                                     |
|                                    | Total                 | 487      |                  |                         |                  |                                     |

It is known from table 5.18 that the respondents having 3 members in their family with highest mean rank of 301.37 are having positive attitude towards POSS. The test result shows that, since significance level ( $p=0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the size of family of the respondents and their attitude towards POSS.

### **5.3.8 Number of Earning Members in the Family**

Higher income level always induces savings. Increased family size has a negative influence on savings, but at the same time, if these increase result in more income generation, it gives an opposite impact. The scope for savings is high in families where there are more earning members. The number of earning members in the family of the respondents is given in table 5.19.

**Table 5.19**  
**Number of earning members in the family of the respondents**

| No. of earning members | Frequency  | Percent      |
|------------------------|------------|--------------|
| 1                      | 271        | 55.6         |
| 2                      | 189        | 38.8         |
| 3                      | 23         | 4.7          |
| >3                     | 4          | 0.8          |
| <b>Total</b>           | <b>487</b> | <b>100.0</b> |

**Source: Primary data**

Table 5.19 indicates that 55.6 percent respondents have 1 earning member in their family, 38.8 percent respondents have 2 earning members in their family and 0.8 percent respondents have more than 3 earning members in their family.

The relationship between number of earning members in the family of the respondents and their level of attitude is presented in table 5.20.

**Null hypothesis:** There is no significant relationship between number of earning members in the family of the respondents and their attitude towards POSS.

**Table 5.20**  
**Number of earning members and attitude towards POSS**

|                                    | No of earning members in the family | N   | Mean Rank | Chi-square value | 'p' Value | Significant /Not significant |
|------------------------------------|-------------------------------------|-----|-----------|------------------|-----------|------------------------------|
| Total Score - Attitude towards POS | 1                                   | 271 | 286.63    | 56.601           | 0         | Significant                  |
|                                    | 2                                   | 189 | 192.37    |                  |           |                              |
|                                    | 3                                   | 23  | 175.46    |                  |           |                              |
|                                    | >3                                  | 4   | 189.75    |                  |           |                              |
|                                    | Total                               | 487 |           |                  |           |                              |

It is evident from table 5.20 that the respondents having one earning member with highest mean rank of 286.63 have positive attitude towards POSS. The test result shows that, since significance level ( $p=0.001$ ) is less than the table value 0.05, the null hypothesis is rejected and it is concluded that there is significant relationship between the number of earning members in the family of the respondents and their attitude towards POSS.

### 5.3.9 Gender

In our society, male plays a natural role of a family head. It is widely seen that the male is the main earning member in the family. The status of being the family head, main earning member of the family and the person who fulfills the financial needs of the family, pushes more men towards savings. The Gender-wise classification of sample respondents is given in table 5.21

**Table 5.21**  
**Gender-wise Classification of the respondents**

| <b>Gender</b> | <b>Frequency</b> | <b>Percent</b> |
|---------------|------------------|----------------|
| Male          | 274              | 56.3           |
| Female        | 213              | 43.7           |
| <b>Total</b>  | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

From table 5.21, it is clear that 56.3 percent respondents are male and 43.7 percent respondents are female.

The relationship between Gender wise classification of the respondents and their level of attitude is presented in table 5.22.



**Null hypothesis** : There is no significant relationship between Gender of the respondents and their attitude towards POSS.

**Table 5.22**  
**Gender and attitude towards POSS**

|                                   | <b>Gender</b> | <b>N</b> | <b>Mean Rank</b> | <b>Sum of Ranks</b> |
|-----------------------------------|---------------|----------|------------------|---------------------|
| Total Score -Attitude towards POS | Male          | 274      | 227.93           | 62452.5             |
|                                   | Female        | 213      | 264.67           | 56375.5             |
|                                   | Total         | 487      |                  |                     |

Mann-Whitney U - 24777.5  
 Wilcoxon W - 62452.5  
 Z - -2.864  
 Asymp. Sig. (2-tailed) - 0.004

Table 5.22 presents that the female respondents with the mean rank of 264.67 have positive attitude towards POSS than the male respondents. The test result exhibits that, with the z value-2.864 (out side the specified bounds – 1.96 and + 1.96) and significance level of .004, there is significant difference in the attitude towards POSS of males and females.

### **5.3.10 Marital Status**

Savings is more influenced by responsibility and the responsibility comes with age and marriage. The responsibility one get through being a married person is vast and diverse. This makes a married person conscious of savings and future needs. On the contrary, being a single person, the necessity of the savings is limited due to the fact that there is less responsibility and the fact that savings is for security and future livelihood. The marital status of the respondents is given in table 5.23.

**Table 5.23**  
**Marital Status of the respondents**

| <b>Marital Status</b> | <b>Frequency</b> | <b>Percent</b> |
|-----------------------|------------------|----------------|
| Married               | 447              | 91.8           |
| Single                | 40               | 8.2            |
| <b>Total</b>          | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

Table 5.23 reveals that 91.8 percent respondents are married and 8.2 percent respondents are not married.

The relationship between marital status of the respondents and their level of attitude is presented in table 5.24.

**Null hypothesis :** There is no significant relationship between marital status of the respondents and their attitude towards POSS.

**Table 5.24**  
**Marital status and attitude towards POSS**

|   | <b>Marital Status</b> | <b>N</b> | <b>Mean Rank</b> | <b>Sum of Ranks</b> |
|---|-----------------------|----------|------------------|---------------------|
| Total Score -<br>Attitude towards<br>POSS | Married               | 447      | 247.51           | 110638              |
|   | Single                | 40       | 204.76           | 8190.5              |
|   | Total                 | 487      |                  |                     |

|                        |   |        |
|------------------------|---|--------|
| Mann-Whitney U         | - | 7370.5 |
| Wilcoxon W             | - | 8190.5 |
| Z                      | - | -1.845 |
| Asymp. Sig. (2-tailed) | - | 0.065  |

From table 5.24, it is understood that the married respondents with the mean rank of 247.51 have positive attitude towards POSS than the unmarried respondents. The test result shows that, with the z value – 1.845 (outside the specified bounds – 1.96 and + 1.96) and significance level of 0.065, there is significant difference in the attitude towards POSS scores of married and unmarried respondents.

### 5.3.11 Family Status

Nature of family is an important factor which determines the savings decisions. In our country, the traditional joint family setup is diminishing and the tendency is to move towards single family. Persons in the single family enjoy the freedom to choose their level of expenditure and savings while in joint family, collective responsibility plays an important role. This also acts as a hindrance towards savings. The family status of the respondents is given in table 5.25.

**Table 5.25**  
**Family Status of the respondents**

| <b>Family Status</b> | <b>Frequency</b> | <b>Percent</b> |
|----------------------|------------------|----------------|
| Single               | 406              | 83.4           |
| Joint                | 81               | 16.6           |
| <b>Total</b>         | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

It is known from table 5.25 that 83.4 percent respondents are in single family and 16.6 percent respondents are in joint family.

The relationship between family status of the respondents and their level of attitude is presented in table 5.26.

**Null hypothesis:** There is no significant relationship between the family status of the respondents and their attitude towards POSS.

**Table 5.26**  
**Family status and attitude towards POSS**

|                                   | <b>Family status</b> | <b>N</b> | <b>Mean Rank</b> | <b>Sum of Ranks</b> |
|-----------------------------------|----------------------|----------|------------------|---------------------|
| Total Score -Attitude towards POS | Single               | 406      | 249.99           | 101497              |
|                                   | Joint                | 81       | 213.96           | 17331               |
|                                   | Total                | 487      |                  |                     |

|                        |   |        |
|------------------------|---|--------|
| Mann-Whitney U         | - | 14010  |
| Wilcoxon W             | - | 17331  |
| Z                      | - | -2.108 |
| Asymp. Sig. (2-tailed) | - | 0.035  |

Table 5.26 reveals that the single family respondents with the mean rank of 249.99 have positive attitude towards POSS than the joint family respondents. The test result exhibits that, with the z value - 2.108 (within the specified bounds – 1.96 and + 1.96) and significance level of .035 (greater than .05) the difference is not significant for family status of the respondents and their attitude towards POSS.

### **5.3.12 Pension Benefits**

A stable and guaranteed income at the elderly age is always a blessing as at elderly age, the earning capacity of an individual decreases. This factor has a direct impact towards savings. People tend to save keeping in view of their elderly needs, but the proportion of savings differs on the basis of income. People without pension benefit has an compelling need towards savings, but it is found low in people with pension benefits as they are supplemented with an assured income at their later stages of life. The pension benefits of the respondents are given in table 5.27.

**Table 5.27**  
**Pension benefits of the respondents**

| <b>Pension benefits</b> | <b>Frequency</b> | <b>Percent</b> |
|-------------------------|------------------|----------------|
| Yes                     | 99               | 20.3           |
| No                      | 388              | 79.7           |
| <b>Total</b>            | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

It is seen from table 5.27 that 79.7 percent respondents do not have pension benefits. 20.3 percent respondents have pension benefits.

The relationship between pension benefits of the respondents and their level of attitude is presented in table 5.28.

Null hypothesis: There is no significant relationship between the pension benefits of the respondents and their attitude towards POSS.

**Table 5.28**  
**Pension benefits and attitude towards POSS**

| <b>Pension benefits</b>                  |       | <b>N</b> | <b>Mean Rank</b> | <b>Sum of Ranks</b> |
|--|-------|----------|------------------|---------------------|
| Total Score -<br>Attitude towards<br>POS | Yes   | 99       | 240.36           | 23795.5             |
|  | No    | 388      | 244.93           | 95032.5             |
|  | Total | 487      |                  |                     |

Mann-Whitney U - 18845.5  
 Wilcoxon W - 23795.5  
 Z - -0.289  
 Asymp. Sig. (2-tailed) - 0.773

Table 5.28 indicates that the respondents not getting pension benefits with the mean rank of 244.93 have positive attitude towards POSS than the respondents who get pension benefits. The test result exhibits that, with the z value – 0.289 (within the specified bounds – 1.96 and + 1.96) and significance level of .773 (greater than .05), the difference is not significant for pension benefits and attitude towards POSS.

### 5.3.13 Surplus for Saving

Savings is possible only for people who have surplus of income. Higher expenditure has a negative influence towards savings. These are evident from previous tables 5.10 and 5.11 as to how the increased family size impacts savings and how increased income generation due to increased family size influences savings. Apart from these, there are unforeseen expenditures in terms of price rise, medical needs which have an impact on surplus money for savings. Hence, an attempt is made to know whether the respondents have surplus amount for savings. It is given in table 5.29.

**Table 5.29**  
**Surplus for saving of the respondents**

| <b>Surplus for savings</b> | <b>Frequency</b> | <b>Percent</b> |
|----------------------------|------------------|----------------|
| Yes                        | 208              | 42.7           |
| No                         | 279              | 57.3           |
| <b>Total</b>               | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

Table 5.29 clearly shows that 57.3 percent respondents do not have surplus for savings. 42.7 percent respondents have surplus for savings.

The relationship between surplus for savings of the respondents and their level of attitude is presented in table 5.30.

**Null hypothesis :** There is no significant relationship between the surplus for savings of the respondents and their attitude towards POSS.

**Table 5.30**  
**Surplus for savings and attitude towards POSS**

|                                   | <b>Surplus for savings</b> | <b>N</b> | <b>Mean Rank</b> | <b>Sum of Ranks</b> |
|-----------------------------------|----------------------------|----------|------------------|---------------------|
| Total Score -Attitude towards POS | Yes                        | 208      | 270.48           | 56260               |
|                                   | No                         | 279      | 224.26           | 62568               |
|                                   | Total                      | 487      |                  |                     |

|                        |   |        |
|------------------------|---|--------|
| Mann-Whitney U         | - | 23508  |
| Wilcoxon W             | - | 62568  |
| Z                      | - | -3.593 |
| Asymp. Sig. (2-tailed) | - | 0      |

It is evident from table 5.30 that the respondents having surplus for saving with the mean rank of 270.48 have positive attitude towards POSS than the respondents having no surplus for saving. The test result exhibits that, with the z – value -3.593 (out side the specified bounds -1.96 and + 1.96) and significance level of .0, there is significant difference between the surplus for savings and attitude towards POSS.

## 5.4 PRIORITY TO SAVINGS

It is noted that there has been a certain perception about savings in the society. Certain people give utmost priority to savings. They allocate particular percentage of amount to savings and plan their expenditure with the balance amount. There are also individuals who think that expenditure should be prioritized first followed by savings. It should also not be concluded that they have any negative opinion towards savings, but only their priorities change. Priority given to savings by the respondents is given in table 5.31.

**Table 5.31**  
**Priority for savings by the respondents**

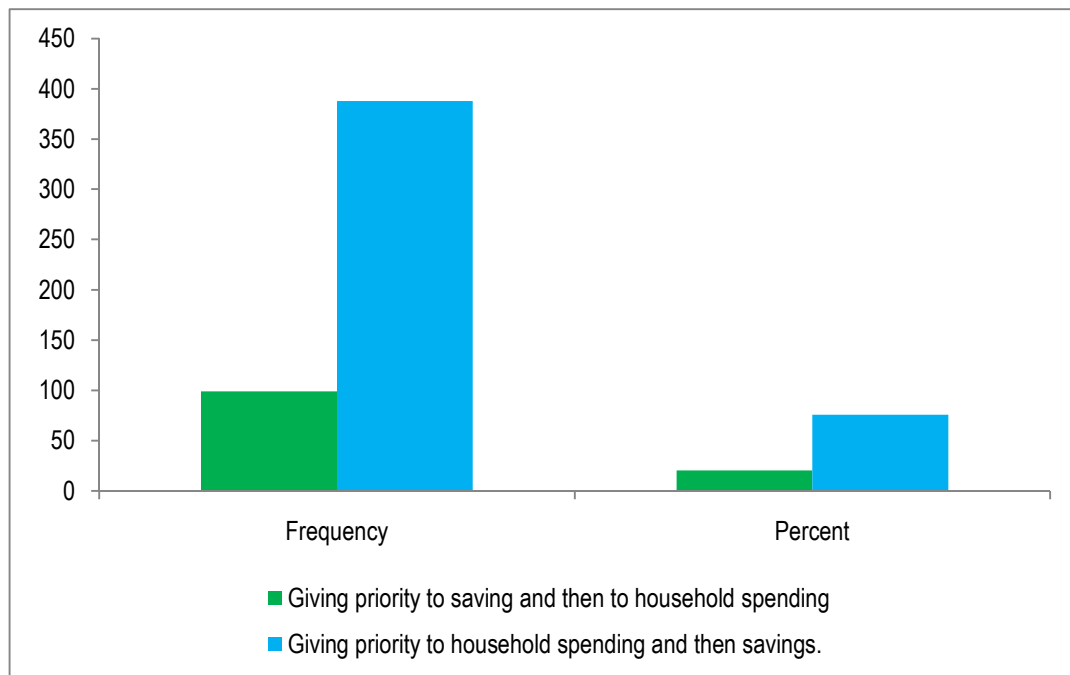
| <b>Priority to savings</b>                               | <b>Frequency</b> | <b>Percent</b> |
|--|------------------|----------------|
| Giving priority to saving and then to household spending | 99               | 20.3           |
| Giving priority to household spending and then savings.  | 388              | 75.7           |
| <b>Total</b>   | <b>487</b>       | <b>100</b>     |

**Source:** Primary data

Table 5.31 shows that 75.7 percent respondents give priority to household spending and then save.20.3 percent respondents give priority to save and then to household spending.



**Figure 5.1**  
**Priority for savings by the respondents**



### 5.5 WAY OF SAVINGS

It is noted that people have different choices to select in terms of savings. The availability of surplus money, the interest rate offered, security, and their own knowledge about those decide their preference. The source of savings of the respondent is given in table 5.32.

**Table 5.32**  
**Way of savings of the respondents**

| Sl. No | Other Source of Savings | Frequency | Total | Percentage |
|--------|-------------------------|-----------|-------|------------|
| 1      | Agricultural land       | 85        | 487   | 17.45      |
| 2      | Properties              | 81        | 487   | 16.63      |
| 3      | Shares                  | 56        | 487   | 11.50      |
| 4      | Debentures              | 2         | 487   | 0.41       |
| 5      | Investment in Societies | 52        | 487   | 10.68      |
| 6      | Mutual funds            | 10        | 487   | 2.05       |
| 7      | Chit funds              | 52        | 487   | 10.68      |
| 8      | Banks                   | 302       | 487   | 62.01      |
| 9      | Insurance               | 124       | 487   | 25.46      |

Table 5.32 clearly says that 62.01 percent respondents deposit in banks, 25.46 percent respondents have savings in insurance companies, 17.45 percent respondents invest in agricultural land, 16.63 percent respondents invest in properties, 11.50 percent respondents buy shares and 0.41 percent respondents invest in debentures.

## 5.6 SOURCE OF INCOME FOR SAVINGS

People have their income generated through multiple ways. The income varies depending on the source. Certain incomes are stable and assured and certain incomes are flexible and some are unpredictable and not reliable. The source of income of the respondent for savings is given in table 5.33.

**Table 5.33**  
**Source of income of the respondents**

| Source                | Frequency  | Percent      |
|-----------------------|------------|--------------|
| Salary income         | 182        | 37.4         |
| Business income       | 41         | 8.4          |
| Agricultural income   | 60         | 12.3         |
| Children's income     | 16         | 3.3          |
| Parent's income       | 22         | 4.5          |
| Spouse's income       | 73         | 15.0         |
| Through rental income | 25         | 5.1          |
| Interest earned       | 26         | 5.3          |
| Pension               | 39         | 8.0          |
| Others                | 3          | 0.6          |
| <b>Total</b>          | <b>487</b> | <b>100.0</b> |

**Source:** Primary data

Table 5.33 implies that 37.4 percent respondents get income for savings from their salary, 15 percent respondents get their spouse's income for saving , 12.3 percent respondents use their agricultural income as savings , 8.4 percent respondents make savings with the help of their business income and 0.6 percent respondents get income for savings from other sources.

### 5.7 AMOUNT OF SAVINGS PER MONTH

The amount of savings can be related to an individual's level of income and expenditure and their priorities towards savings. According to the income and willingness, the amount of savings vary among the respondents. The respondents savings per month is given in table 5.34.

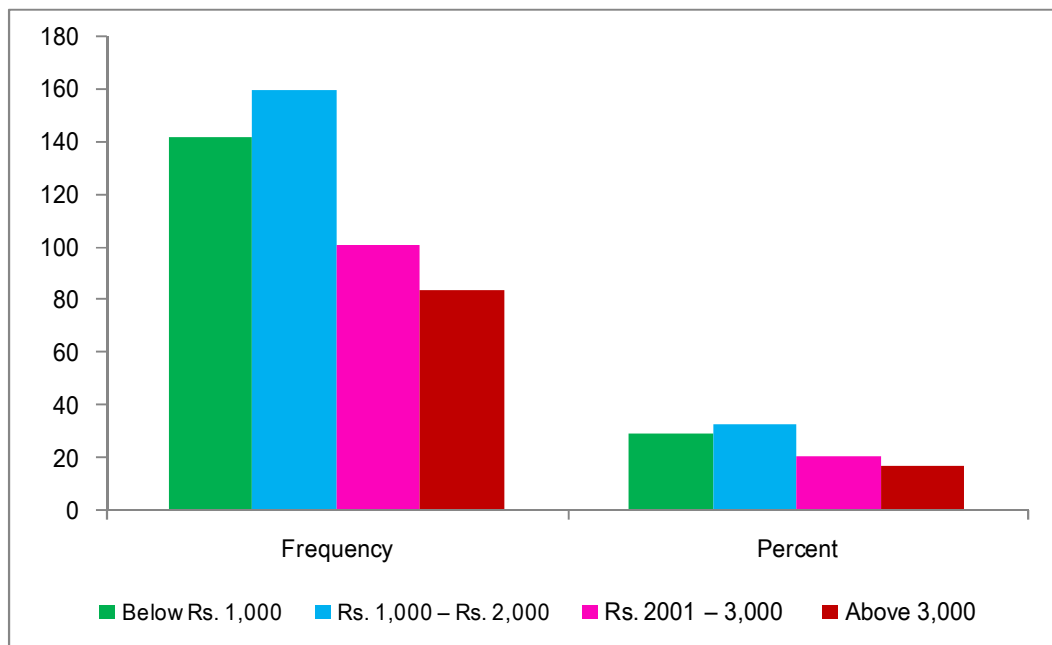
**Table 5.34**  
**Amount of savings of the respondents**

| <b>Amount of savings</b> | <b>Frequency</b> | <b>Percent</b> |
|--------------------------|------------------|----------------|
| Below Rs. 1,000          | 142              | 29.2           |
| Rs. 1,000 – Rs. 2,000    | 160              | 32.9           |
| Rs. 2001 – 3,000         | 101              | 20.7           |
| Above 3,000              | 84               | 17.2           |
| <b>Total</b>             | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

It is known from table 5.34 that 32.9 percent respondents save between Rs. 1,000 – Rs. 2,000 per month, 29.2 percent respondents save below Rs.1000, 20.7 percent respondents save between Rs.2001-3000 per month and 17.2 percent respondents save above Rs. 3,000 per month.

**Figure 5.2**  
**Amount of savings of the respondents**



### 5.8 DURATION OF HAVING POST OFFICE SAVING SCHEMES

The duration of the saving depends on the objective on which saving is being made. If the saving is based on short-term objective, this impacts the number of years of savings selected. Other factors like source of savings and surplus for savings also have an impact on the number of years of savings. Number of years depositing in post office saving schemes by the respondents is given in table 5.35.

**Table 5.35**  
**Number of years having poss**

| Number of years | Frequency  | Percent      |
|-----------------|------------|--------------|
| Below 1 year    | 18         | 3.7          |
| 1 – 3 years     | 51         | 10.5         |
| 3 – 5 years     | 95         | 19.5         |
| 5 – 7 years     | 85         | 17.5         |
| Above 7 years   | 238        | 48.9         |
| <b>Total</b>    | <b>487</b> | <b>100.0</b> |

**Source:** Primary data

From table 5.35, it is found that 48.9 percent respondents deposit in post office saving schemes for above 7 years, 19.5 percent respondents deposit in poss for 3-5 years and 3.7 percent respondents deposit for below 1 year.

## 5.9 SOURCE OF INFORMATION

All schemes, whether social or financial needs some medium is needed to carry out the information to reach the common man. Information regarding post office savings are less publicized when compared with other financial institutions. This may be due to the fact that the post office is one of the oldest department in our country and has made inroads in rural areas as well. It is in constant touch with the public through the vital service it offers to the public. The source of information by how the respondents get knowledge about post office saving schemes is given in table 5.36.

**Table 5.36**  
**Source of information of POSS**

| <b>Source</b>         | <b>Frequency</b> | <b>Percent</b> |
|-----------------------|------------------|----------------|
| Friends / Relatives   | 70               | 14.4           |
| Advertisements        | 29               | 6.0            |
| Agents                | 227              | 46.6           |
| Post office employees | 87               | 17.9           |
| From parents          | 22               | 4.5            |
| Others                | 52               | 10.7           |
| <b>Total</b>          | <b>487</b>       | <b>100.0</b>   |

**Source:** Primary data

From table 5.36, it is obvious that 46.6 percent respondents get information about post office saving schemes through agents, 17.9 percent respondents know about post office from post office employees, 14.4 percent respondents get information about post office from friends/relatives and 4.5 percent respondents get advice from their parents for depositing in post office saving schemes.

### 5.10 PREFERRED SCHEMES

The post office offers different saving schemes which are unique in nature to satisfy the needs of different sections of the society. The benefits and returns vary depending on the scheme selected. Individuals select the schemes based on the income level and affordability and the objectives of the saving. The preference of post office saving schemes of the respondents is given in table 5.37.

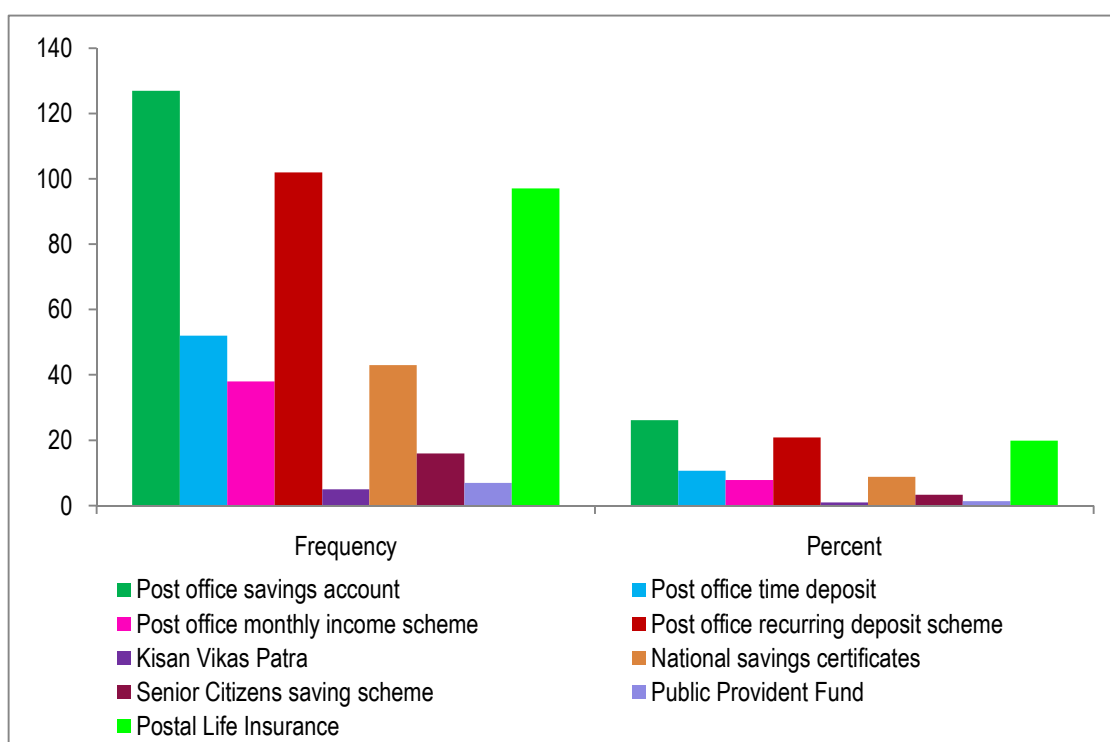
**Table 5.37**  
**Preferred scheme of the respondents**

| <b>Preference</b>                    | <b>Frequency</b> | <b>Percent</b> |
|--------------------------------------|------------------|----------------|
| Post office savings account          | 127              | 26.1           |
| Post office time deposit             | 52               | 10.7           |
| Post office monthly income scheme    | 38               | 7.8            |
| Post office recurring deposit scheme | 102              | 20.9           |
| Kisan Vikas Patra                    | 5                | 1.0            |
| National savings certificates        | 43               | 8.8            |
| Senior Citizens saving scheme        | 16               | 3.3            |
| Public Provident Fund                | 7                | 1.4            |
| Postal Life Insurance                | 97               | 19.9           |
| <b>Total</b>                         | <b>487</b>       | <b>100</b>     |

**Source:** Primary data

Table 5.37 visualizes that 26.1 percent respondents prefer post office savings account, 20.9 percent respondents prefer post office recurring deposit scheme , 19.9 percent respondents like postal life insurance and 1 percent respondents prefer Kisan Vikas Patra.

**Figure 5.3**  
**Preferred scheme of the respondents**



### 5.11 UTILIZATION OF MATURITY AMOUNT

The matured amount got from post office saving schemes are utilized for various sources by the respondents. Individuals save based on their needs and the maturity amount is utilized so that it fulfills their objectives. Certain individuals extend their savings keeping in mind for their long-term needs. The utilization of maturity amount is given in table 5.38.

**Table 5.38**  
**Utilization of maturity amount by the respondents**

| <b>Utilization of maturity amount</b>      | <b>Frequency</b> | <b>Percent</b> |
|--|------------------|----------------|
| No re-investment                           | 118              | 24.2           |
| Invest in other post office saving schemes | 112              | 23.0           |
| Invest in other investment options         | 92               | 18.9           |
| Redeposit in the same scheme               | 143              | 29.4           |
| Others                                     | 22               | 4.5            |
| <b>Total</b>                               | <b>487</b>       | <b>100</b>     |

**Source:** Primary data

From table 5.38, it is understood that 29.4 percent respondents utilize their maturity amount of post office saving schemes to redeposit in the same scheme. 4.5 percent respondents utilize the maturity amount for other purposes like purchase of household things, to repay loan amount and utilize for family functions.

## **5.12 PREMATURE CLOSURE AND THE REASON FOR PREMATURE CLOSURE**

Though savings are based on different objectives, there are situations where individuals are unable to continue their savings. Saving tendency in our country is high and individuals are continue their savings despite obstacles. The premature closure of post office saving schemes by the respondents is given in tables 5.39 and 5.40.

**Table 5.39**  
**Premature closure of POSS**

| <b>Premature closure</b> | <b>Frequency</b> | <b>Percent</b> |
|--------------------------|------------------|----------------|
| Yes                      | 119              | 24.4           |
| No                       | 368              | 75.6           |
| <b>Total</b>             | <b>487</b>       | <b>100</b>     |

**Source:** Primary data



Table 5.39 explains that 75.6 percent respondents do not close the post office saving schemes prematurely. 24.4 percent respondents close the post office saving schemes prematurely.

### 5.12.1 Reasons for Premature Closure

The reason for closure of post office saving schemes prematurely is given in table 5.40.

**Table 5.40**  
**Reasons for premature closure of POSS**

| <b>Reason</b>                                      | <b>Frequency</b> | <b>Percent</b> |
|--|------------------|----------------|
| Due to personal reasons                            | 22               | 18.5           |
| Low return   | 1                | 0.8            |
| To invest in another scheme                        | 1                | 0.8            |
| For expenses regarding children's higher education | 16               | 13.4           |
| For expenses regarding children's marriage         | 27               | 22.7           |
| For expenses regarding health ailments             | 22               | 18.5           |
| For repaying other debts                           | 4                | 3.4            |
| To start business                                  | 14               | 11.8           |
| To create any additional finance for business      | 1                | 0.8            |
| For construction                                   | 10               | 8.4            |
| Others   | 1                | 0.8            |
| <b>Total</b>                                       | <b>119</b>       | <b>100</b>     |

**Source:** Primary data

Table 5.40 exhibits that 22.7 percent respondents close the post office saving schemes prematurely for the purpose of their children’s marriage. 18.5 percent of the respondents close the scheme prematurely due to personal reasons and to meet health ailments , 13.4 percent respondents cannot able to continue their savings because of their children’s education and 0.8 percent respondents close the scheme for low return, invest in other scheme, need additional amount for business.

### **5.13 POSS ARE BETTER THAN OTHER SCHEMES AND THE REASONS**

Investors tend to analyze the pros and cons on the institution they are investing. They take into account the schemes and its suitability and their needs and the returns guaranteed before investing. Security and guaranteed return for their investment are of foremost priority. They also take it into account when they can handle it themselves without depending on others. In this context, whether POSS are better than other schemes or not is given in tables 5.41 and 5.42.

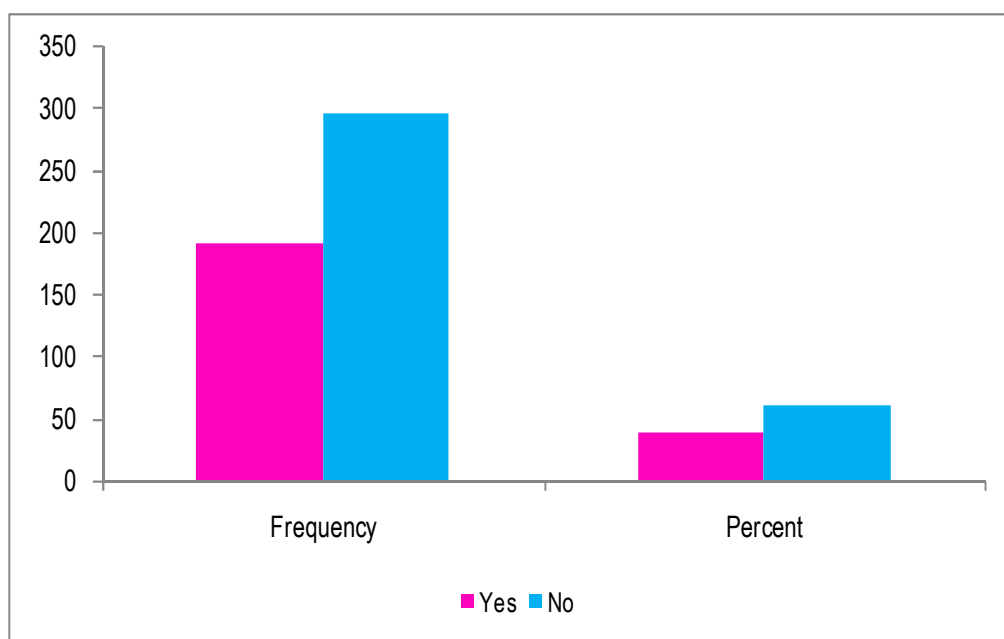
**Table 5.41**  
**POSS better than other schemes**

| <b>Better than other schemes</b> | <b>Frequency</b> | <b>Percent</b> |
|----------------------------------|------------------|----------------|
| Yes                              | 191              | 39.2           |
| No                               | 296              | 60.8           |
| Total                            | 487              | 100            |

**Source:** Primary data

It can be seen from table 5.41 that 60.8 percent respondents feel that post office saving schemes are not better than other options. 39.2 percent respondents feel that post office saving schemes are better than other schemes.

**Figure 5.4**  
**POSS better than other schemes**



### 5.13.1 Reason for Stating POSS is better than Other Schemes

The reason stated by the respondents that post office saving schemes are better than other schemes is given in table 5.42.

**Table 5.42**  
**Reason for stating POSS is better than other schemes**

| <b>Reason</b>         | <b>Frequency</b> | <b>Percent</b> |
|-----------------------|------------------|----------------|
| Safety                | 163              | 85.3           |
| Attractive Returns    | 4                | 2.1            |
| Prompt Payment        | 6                | 3.1            |
| Convenient to Operate | 18               | 9.4            |
| <b>Total</b>          | <b>191</b>       | <b>100</b>     |

**Source:** Primary data

From table 5.42, it is clear that 85.3 percent respondents state that the reason for feeling POSS is better than other schemes is safety , 9.4 percent respondents feel that post office saving schemes is convenient to operate and 2.1 percent respondents state that the reason is attractive returns are available in poss.

### 5.13.2 Reason for Stating POSS is not better than Other Schemes

Individuals always desire to get the maximum benefit for their investments, which is possible only through attractive interest rates. This is decided along with other factors like the duration of schemes, hidden costs and the like. The major problem faced by the respondents in the post office are given in table 5.43.

**Table 5.43**  
**Reasons for stating POSS is not better than others**

| <b>Reason</b>                      | <b>Frequency</b> | <b>Percent</b> |
|------------------------------------|------------------|----------------|
| Cumbersome procedure               | 22               | 7.4            |
| Delay in processing                | 35               | 11.8           |
| Interest is low                    | 191              | 64.5           |
| Lack of customer friendly attitude | 13               | 4.4            |
| Lack of information                | 19               | 6.4            |
| High penal charges                 | 7                | 2.4            |
| Long lock-in period                | 9                | 3.1            |
| <b>Total</b>                       | <b>296</b>       | <b>100</b>     |

**Source:** Primary data

Table 5.43 indicates that 64.5 percent respondents state that the reason for stating post office saving schemes are not better than other schemes is because of low interest. 2.4 percent respondents state that the reason for stating post office savings schemes are not better than other schemes is high penal charges charged by the post office.

## 5.14 WILLINGNESS TO INCREASE SAVINGS

The intention to increase in savings is related to individual's saving capacity and the necessity for increased savings. It is also influenced by the satisfaction they derive from their existing saving structure. Whether the respondents have intend to increase savings or not is given in table 5.44.

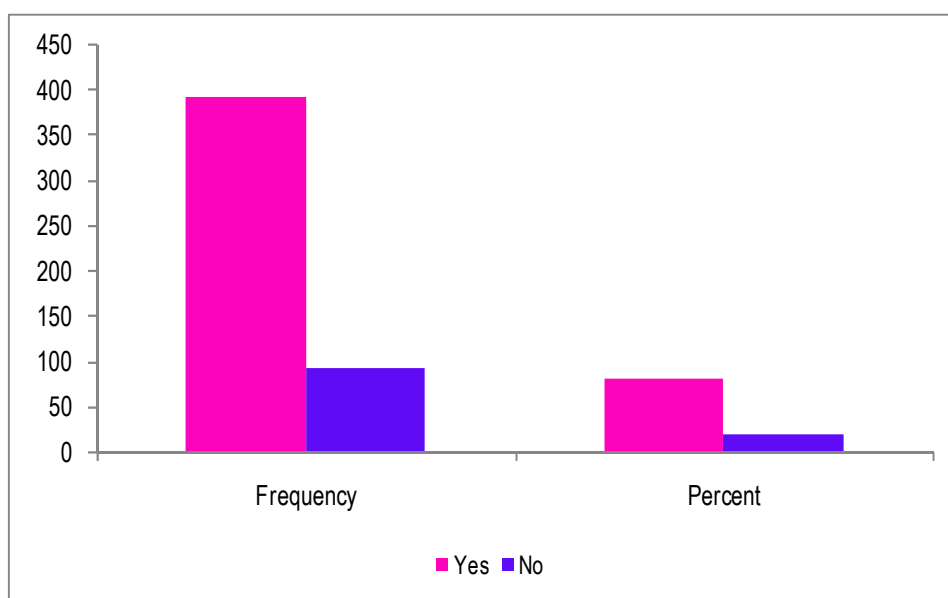
**Table 5.44**  
**Intend to increase savings**

| <b>Intend</b> | <b>Frequency</b> | <b>Percent</b> |
|---------------|------------------|----------------|
| Yes           | 394              | 80.9           |
| No            | 93               | 19.1           |
| <b>Total</b>  | <b>487</b>       | <b>100</b>     |

**Source:** Primary data

Table 5.44 reveals that 80.9 percent respondents state that they like to increase their savings in the future. 19.1 percent state that they do not want to increase their savings in the future.

**Figure 5.5**  
**Intend to increase savings**



## 5.15 PREFERRED FUTURE CHANGES NEEDED FOR POSTAL DEPARTMENT

Today, the expectation of modern customer is more. They not only need changes in design and nature of the postal products but also in quality of service. It is the duty of the postal department to improve the quality of service. To improve the quality of service, much amount of capital is needed for post office. The changes needed in post office for the respondents of Kanyakumari District is mainly in schemes, services, employee's approach, infrastructure inconvenience, benefits of post office accounts. The changes needed by the sample respondents are analysed with the help of Garrett's Ranking Technique and it has given in table 5.45.

**Table 5.45**  
**Garrett's Ranking on Preferred Future Changes in Postal Department**

| Sl. No. | Item                         | Rank | Percentage position | Garrett Rank Scores | Garrett Mean score | Garrett Rank |
|---------|------------------------------|------|---------------------|---------------------|--------------------|--------------|
| 1       | Schemes                      | 1    | 15.83               | 70                  | 47.80              | 2            |
| 2       | Services                     | 2    | 32.50               | 59                  | 46.03              | 3            |
| 3       | Employees approach           | 3    | 49.17               | 50                  | 38.64              | 5            |
| 4       | Infrastructure inconvenience | 4    | 65.83               | 42                  | 42.28              | 4            |
| 5       | Benefits                     | 5    | 82.50               | 32                  | 48.15              | 1            |
| 6       | Others                       | 6    | 99.17               | 7                   | 37.09              | 6            |

**Source:** Primary data

It is evident from table 5.45 that changes needed for benefits provided by the post office occupied the first rank. The second and third ranks are” changes needed in schemes” and” services provided by the post office”. Changes required for infrastructure in post office got fourth rank. Changes needed in employees approach occupied fifth rank. Sixth rank is occupied by other factors like changes needed in technological development, advertising.

### **5.16 PURPOSE OF SAVING**

People may hoard their savings as cash, gold or jewellery. Some people use the savings to purchase or construct residential buildings. Some of them invest in productive assets like land, livestock and equipment. Some of them hold savings in the form of financial assets such as deposits in banks, corporate securities, government bonds and insurance policies. Saving has generally been held to be one of the major determinants of economic development. Saving is not mere non-spending for the vast majority of savers. Savings represents a positive act involving deliberate decision making. It creates a conscious choice between present and future satisfactions. It entails a sacrifice and there must be strong motives which can outweigh the temptation to spend. The purpose of savings for the sample respondents are analysed with the help of Garrett’s Ranking Technique and it has given in table 5.46.

**Table 5.46**  
**Garrette's Ranking on purpose of savings for the respondents**

| <b>Sl. No</b> | <b>Saving schemes</b>                      | <b>Rank</b> | <b>Percentage position</b> | <b>Garrett Rank Scores</b> | <b>Garrett Mean Score</b> | <b>Garrett Rank</b> |
|---------------|--|-------------|----------------------------|----------------------------|---------------------------|---------------------|
| 1             | Food                                       | 1           | 5.28                       | 81                         | 47.62                     | 12                  |
| 2             | Clothing                                   | 2           | 10.83                      | 74                         | 47.61                     | 13                  |
| 3             | Safety                                     | 3           | 16.39                      | 69                         | 51.25                     | 1                   |
| 4             | House construction                         | 4           | 21.94                      | 65                         | 46.31                     | 15                  |
| 5             | Tax benefit                                | 5           | 27.50                      | 61                         | 49.43                     | 4                   |
| 6             | To lead a comfortable life                 | 6           | 33.06                      | 59                         | 48.16                     | 9                   |
| 7             | To meet medical emergency                  | 7           | 38.61                      | 55                         | 48.01                     | 10                  |
| 8             | Children's prosperity                      | 8           | 44.17                      | 52                         | 49.86                     | 3                   |
| 9             | Children's education                       | 9           | 49.72                      | 50                         | 49.19                     | 6                   |
| 10            | Children's healthcare                      | 10          | 55.28                      | 47                         | 48.63                     | 8                   |
| 11            | Children's marriage                        | 11          | 60.83                      | 45                         | 48.92                     | 7                   |
| 12            | Stable return                              | 12          | 66.39                      | 41                         | 50.42                     | 2                   |
| 13            | To meet elderly needs                      | 13          | 71.94                      | 39                         | 49.26                     | 5                   |
| 14            | To repay borrowings                        | 14          | 77.50                      | 35                         | 45.53                     | 17                  |
| 15            | To buy consumer durable                    | 15          | 83.06                      | 31                         | 48.01                     | 11                  |
| 16            | Advice of parents                          | 16          | 88.61                      | 26                         | 47.54                     | 14                  |
| 17            | Got influence from friends / relatives     | 17          | 94.17                      | 19                         | 41.65                     | 18                  |
| 18            | To invest a lumpsum amount in other source | 18          | 99.72                      | 14                         | 45.60                     | 16                  |

**Source:** Primary data



It is seen from table 5.46 that the main purpose of savings for the sample respondents are safety which occupied the first rank. The purpose ranked second and third are stable return and children's prosperity respectively. Tax benefit got the fourth rank for the purpose of savings.

### **5.17 SUMMARY**

In this chapter, the level of attitude of the sample respondents towards POSS has been analyzed by using Kruskal Wallis test and Mann – Whitney test. A significant relationship exists between the identified variables such as age, place of residence, educational qualification, occupation, monthly income, type of housing, size of family, number of earning members and the level of attitude of the respondents towards POSS.