Chapter – VI

Findings, Suggestions and Conclusion
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FINDINGS, SUGGESTIONS AND CONCLUSION

6.1. FINDINGS

6.1.1 FINDINGS RELATING TO DESCRIPTIVE ANALYSIS

➢ The analysis reveals that 54 per cent of the respondents are male and 46 per cent of the respondents are female. The majority of the respondents belongs to male category.

➢ From the analysis, it is concluded that the majority (41 per cent) of the sample respondents are in the age group of 21 – 30 years and more innovative and enterprising than others. It is a good and changing trend to be appreciated.

➢ The analysis shows that most (48 per cent) of the sample respondents are post graduate which is more than sufficient for using Value-added services in banking more effectively.

➢ It is evident that the majority (38 per cent) of the respondents from different occupations.

➢ It is inferred from the analysis that (47 per cent) of the respondents belong to the income level of less than Rs.2, 00,000.

➢ It is evident from the analysis that the majority (43 per cent) of the respondents is from a rural area.

➢ It is inferred that (32 per cent) of respondents’ families have two account.
- It is concluded from the analysis that the most (29 per cent) of the respondents have maintained their account at 1-3 years.

- It is inferred that (62 per cent) of the respondents maintain an average balance of less than Rs.20,000.

- It is evident from the analysis that the majority (48 per cent) of the respondent has transactions once a month.

- It is found from the analysis that the most (64 per cent) of the respondents has a savings bank account.

- It is inferred that (44 per cent) of the respondents are self motivation because their own idea only create an account.

6.1.2 GARRETT RANKING TECHNIQUE

6.1.2.1 REASONS BEHIND ENVIRONMENT AND INFRASTRUCTURE FACTORS

- ‘Fully computerization’ was ranked first by the selected sample respondents with the total score 2872 and mean score of 4.10.

- ‘Nearness’ was ranked second with total score a of 2764 and mean score of 3.95.

- ‘Canvassing by the Bank’ occupied twelfth position with the total score of 2406 and mean scores 3.44.

- ‘Interior Decoration of the Bank’ occupied last position with the total score of 2366 and mean score of 3.38. It is evident that most of the respondents gave top priority to fully computerization as the main reason behind selecting the bank.
6.1.3 KRUSKAL WALLIS TEST

- There is no significant difference between choosing outlets for utilizing banking services and the mean rank of the gender of the respondents.
- There is no significant difference between choosing outlets for utilizing banking services and the mean rank of age of the respondents.
- There is no significant difference between choosing outlets for utilizing banking services and the mean rank of educational level of the respondents.
- There is no significant difference between choosing outlets for utilizing banking services and the mean rank of occupational status of the respondents.
- There is no significant difference between choosing outlets for utilizing banking services and the mean rank of the annual income of the respondents.

6.1.4 TYPE OF OUTLET FOR UTILIZING BANKING SERVICE

- ‘ATM’ was ranked first by the selected sample respondents with the total score of 2420 and mean score of 3.46.
- ‘Branch’ was ranked second with the total score of 2316 and mean scores 3.31.
- ‘E-Banking and Banking agents’ occupied third and fourth position with the total score of 1748 and 1714 and mean score of 2.50 and 2.45 respectively.
- ‘Mobile’ was ranked fifth with the total score of 1708 and mean score 2.44.
‘Others’ occupied sixth position with the total score of 1698 and mean score of 2.43.

‘Telephone’ occupied last position with the total score of 1536 and mean score of 2.19. It is evident that most of the respondents preferred outlet through banking services was to ATM.

6.1.5 RANK FOR VALUE ADDED SERVICES PROVIDED BY THE BANK

‘ATM’ was ranked first by the selected sample respondents with the total score of 3392 and mean score of 4.85.

‘Credit card and Internet Banking’ was ranked second with the total score of 3154 and 3158 respectively and mean score of 4.51.

New pension system was ranked seventeenth position with the total score of 3004 and mean score of 4.29.

‘Mobile Banking’ occupied last position with the total score of 2912 and mean score of 4.16. It is evident that most of the respondents gave top priority to ATM as the first rank for service provided by the bank.

6.1.6 WEIGHTED AVERAGE SCORE ANALYSIS

6.1.6.1 RANK FOR AWARENESS ABOUT VALUE ADDED SERVICES

‘Through advertisements’ was ranked first by the selected sample respondents with a weighted average score of 3.20.

‘Conduct training programs for Bank customers’ was ranked second with the weighted average score of 3.11.

‘Conduct personal contact programs’ occupied third position with the weighted average score of 3.08.
‘Demo – fares regarding value added service’ occupied fourth position with the weighted average score of 2.95.

‘Information and Demo at the counter’ occupied last position with the weighted average score of 2.83. It is evident that most of the respondents have awareness about the value added service only through advertisements.

6.1.6.2 PROBLEMS FACED BY THE CUSTOMER WHILE USING THE TRANSACTION WITH THE BANK

‘Power failure’ was ranked first by the selected sample respondents with the weighted average score 2.97.

‘Spend more time physically’ was ranked second with the score of 2.93.

‘Non - functioning of ATM Machine and Shortage of amount in ATM’ occupied third and fourth position with the score of 2.92 and 2.91 respectively.

‘Credit card criming’ was ranked thirteenth with the total score of 2.35.

‘Theft of Equipments’ was ranked fourteenth with the total score of 2.33.

‘Accidental damage’ occupied last position with the total score of 2.30. It is evident that most of the respondents gave the opinion that, ‘Power failure’ was the main problem faced by the customer while using transaction with the bank, weighted average score 2.97.

6.1.7 CHI-SQUARE ANALYSIS

Personal factor like Gender, Age, Annual Income, occupational status, and Educational qualification also is related with opinion towards value added services.
Personal factor like Residential area is not related with opinion towards value added services.

Personal factor like gender is not related to the level of satisfaction towards motivational factors.

Personal factor like age, educational qualification, occupational status, annual income and residential area is closely related to the level of satisfaction towards motivational factors.

6.1.8 ANALYSIS OF VARIANCE

There is no difference between the gender and bank staffs - “both the sex is accepted the bank officials work and approach”.

There is a difference between the age group and bank staffs – “age groups of respondents are not satisfied with the bank officials’ work and approach”.

There is no difference between the educational qualified groups and bank staffs – “educational qualified groups of respondents are satisfied only with ‘Friendly staff and knowledgeable staff to answer customers’ questions”.

There is no significant difference between the annual income and bank staff – “Handling problems in a professional manner and Understanding customer needs”.

6.1.9 FACTOR ANALYSIS

It could be found from the factor analysis that the selected 29 factors related to customers’ satisfaction towards value added services offered by the public sector banks into two major factors representing Tangible Value Added Services and Intangible Value Added Services and noticed that
customers’ satisfaction towards value added services is predicted from 2.170 unit increases of Tangible Value Added Services and 3.011 unit increases of Intangible Value Added Services and these two factors are having significant impact on the overall customer satisfaction towards value added services provided by the public sector banks in Namakkal town.

➢ Further, among the two factors, intangible value added services are one of the major satisfaction factors than the tangible value added services among the selected banking customers in Namakkal town.

6.1.10 INDEPENDENT SAMPLE TEST

6.1.10.1 INDEPENDENT SAMPLE TEST BETWEEN DEPOSITIS AND OPINION ABOUT COUNTER SERVICES

➢ There is no significant difference between gender and deposits and that female customer are significantly more satisfied than male customers.

➢ There is a significant difference between gender and opening of account and that female customer are significantly more satisfied than male customers.

➢ There is no significant difference between gender and issue of cheque book and that female customers are significantly more satisfied than male customers.

➢ There is no significant difference between gender and updating of pass book and that male and female respondents are similarly satisfied.

➢ There is no significant difference between gender and renewal deposits and that male respondents are significantly more satisfied than female respondents.
6.1.10.2 INDEPENDENT SAMPLE TEST BETWEEN AGE AND OPINION ABOUT COUNTER SERVICES

- There is no significant difference between the age group of the respondents and deposits and those 41-50 years aged respondents are significantly more satisfied than other age group respondents.

- There is no difference between age group and for opening an account and but 31-40 years aged respondents were significantly more satisfied than other age group respondents.

- There is a significant difference between age group and opinion about the issue of the cheque book and those 31-40 years aged respondents were significantly more satisfied than other age group respondents.

- There is a significant difference between age group and opinion on updating of pass book.

- There is no significant difference between the age group of the respondents and renewal of deposits.

6.1.10.3 INDEPENDENT SAMPLE TEST BETWEEN GENDER AND OPINION ABOUT GUIDANCE FACILITY AND OTHER SERVICES

- There is no significance difference between the opinion about for getting loans and gender.

- There is no significance difference between the opinion about for making complaints and gender.

- There is no significant difference between the genders on their opinion about to get information about new services.

- There is no significant difference between the genders in opinion on enquiry for using particular services.
6.1.10.4 INDEPENDENT SAMPLE TEST BETWEEN AGE GROUP AND GUIDANCE FACILITY AND OTHER SERVICES

- There is no significance difference between the age group of respondents and opinion of for getting loans.

- The opinions about for making complaints between the age group of the respondents are different.

- There is a significant difference in opinion between the age group of the respondents and to get information about new services.

- There is no significant difference in opinion between the age group of the respondents and enquiry for issuing particular services.

6.1.10.5 INDEPENDENT SAMPLE TEST - COMMON SERVICES

- The female respondents are having low level satisfaction in respect of all services.

- The semi-urban respondents are having a slightly higher satisfaction in respect of convenient acceptability and providing efficient services.

6.1.11 FRIEDMAN RANK TEST

- There is no significant difference between mean ranks for respondents choosing the preferred outlets for utilizing banking services.

- There is no significant difference between mean ranks of respondents for preferred value added services for spending their money.
6.2. SUGGESTIONS

Based on the research findings, researcher may put forward the following suggestions about incorporating innovative solutions in the banking sector, particularly customers utilizing the value added services in public sector banks:

➢ There is still a lot needed for the banking system to make reforms and train their customers for using Value added services to their bank account. The customer has a fear of hacking of accounts and thus do not go on for value added services. Banks should provide the best security options to the customers to use such services.

➢ Banks are providing free customer services so that the customers can be attracted. Maximum numbers of bank account holders are middle aged groups. Proper training should be given to the customer by the bank employees to use value added services.

➢ Customers should be motivated by the bank employees to use, value added services more.

➢ Effective training solutions will help bank employees do more than marketing their services and products. Front-line employees working in various customer service branches in the bank need to understand how to communicate better and more effectively with customers.

➢ Soft-skills training is important right from the clerical staff to the bank manager, soft skills training should be made compulsory as it forms the basis of effective communications and building a long-term relationship with the customer.
➢ Bank websites should be made user friendlier from where the first time customers can directly make and access their accounts.

➢ Public sector banks should create a trust in the mind of customers towards security of these accounts.

➢ Public sector banks should provide a platform from where the customers can access different accounts at the single time without extra charge.

➢ For increased competition, banks are essential to become more and more customer-focused. It is more costly to acquire new customers than it is to retain existing customers. Retaining customers require customer service in banks to provide service that is quick, error-free and convenient.

➢ Bank tellers who are friendly, quick and knowledgeable are a definite tool for customer service in banking.

➢ Customer service representatives in call centers to be the initial point of contact for customer inquiries. Call center representatives may try to solve problems or they may be responsible for directing calls to specialists within the banking organization. Call center representatives should have good communication skills, good listening skills and problem-solving abilities.

➢ Publicizing the bank in the right area add value to the brand. Banks should utilize the proper media resource for promoting their product and services.

➢ Establishing branches in every possible area would be a better way to progress. This would really help banks to create more accounts.

➢ Employees should be trained in the technical and behavioral aspects, so that banks can deliver quick and prompt services.
➢ New investment schemes should also be displayed at appropriate places. Modern technology and innovation are required in every aspect of the banking system.

➢ To develop the social banking environment, bank officials should maintain good relationship with the customers.

➢ Banks can use, value added services as a positive competitive advantage as well as a differentiation strategy with rivals to get customer satisfaction over the competitors.

➢ Banks offering various value added services may use this service as an attractive tool for forthcoming customers.

➢ Development in information and technology enable banks in value added services to be effective in satisfying customer needs.

➢ Private sector banks are the main competitors of the Public sector banks. So the bank management should always work out special market strategies to retain the current customers. Banks are promoting their products and services by regular advertisements, improving service quality, introducing new schemes for the customers.

➢ Most of the customers felt that the opening of an account is very difficult in the Bank. So the management should take care on new customers as well as existing customers.

➢ The users of electronic banking utilizing such services like airlines, train tickets reservation, mobile top up, electricity and telephone bill payments for making collections should offer small discounts to their customers to favour electronic payments.
Adequate parking space, seating arrangement, token system and the availability of other facilities, such as drinking water are small but significant aspects of a comfortable branch banking experience. This may come as a surprise, but it is a fact that many customers switch banks because of inconvenient location or lack of facilities.

Branches, ATMs must be adequately equipped with hardware and support systems, such as generators, to ensure that business is not disrupted on account of infrastructural problems.

With the newly acquired technology, banks should initiate various value added services and new technology driven products combine with the existing ones to enable the bank to enlarge a variety of financial services, all under one roof.

Marketing of insurance products/mutual funds, credit cards at all branches to be undertaken to satisfy the modem customers’ needs.

Regular promotional efforts like customer meets, seminars, conferences, road shows and campaign to be conducted to create awareness with customers regarding the products and build a positive image about the bank.

All branches should be computerized and provision of technology oriented products like ATMs and Tele banking should be made available more number of customers to meet the expectations of customers on technological changes.
➢ Customers should also be educated and encouraged to use the value added services to make banking more customer friendly and hassle free and to optimize utilization.

➢ In traditional banking branch staff knew their customers well because they interacted so often with them. The emergence of unaided channels has distanced customers from bank employees. When customers come to the branch with a problem. In the old days, the staff would have been aware of the situation, because they would have been involved in it right from the beginning. Today, if a customer complaint is registered at the call center, the branch may or may not have information about it. So when customers come in to enquire about their complaints, to their annoyance, they might be asked to contact phone banking or some other channel. Proper communication can therefore exert a positive impact on satisfaction.

6.3 CONCLUSION

The financial institutions, especially banks, are coming up with more and more attractive offers and value added services mainly for two reasons - to keep their customers intact and to attract other banks' customers. In India still there is a lack of users for banking customer services, but the banking system is upgraded and bringing many electronic banking mediums for customers so that banking can be made more convenient.

Banks are still unenthusiastic to identify and support customer processes. Many processes still carry out product-driven and less customer-centered. Hence, banks should consider the opportunity to differentiate themselves from other competitors by supporting those processes important to their customers. Our approach of using value added services certainly exceeds the classical view of banking business.
On the basis of the analysis, the researcher has concluded that banks have to conduct much awareness programs, friendly usage and customer relationship in order to retain the existing customers and to attract new customers. A bank must examine its strengths and opportunities and take a competitive position in the competitive marketplace. The main purpose of this study was to identify the significant dimensions that shape customers perception towards customer services with value added service of public sector banks and the effect of this will result in customers’ satisfaction. It has been inferred from the above analysis that the banks have to concentrate on the middle age group because the usage of value added services is more upon them which will result in future competitive success. Providing better services for exploration and specialty information is more successful to keep and attract long-time usage of banking customers.