PERCEPTION OF THE RESPONDENTS ON THE SERVICES RENDERED BY THE INDIAN BANK

5.1 INTRODUCTION

Recognition of service quality as a competitive weapon is relatively a recent phenomenon in the banking sector. Prior to liberalization era, the banking sector in India was operating in a protected environment and was dominated by nationalized banks. Banks at that time did not feel the need to pay attention to service quality issues and they assigned very low priority to the satisfaction of consumers. After liberalization, the nationalized and old generation private banks started facing competition from the new private and foreign banks that had international banking standards. The need of the hour in the Indian banking sector is to build up competitiveness through enhanced service quality, thus making the banks more market oriented and customer friendly\(^1\). Today all the banks use modern information technology endorsed services like ATM, tele banking, online banking system etc. Banking is essentially a high contact service industry and there is a close interaction between the service provider and the customer in the traditional banking scenario\(^2\).

The Indian Bank in Kanyakumari district offers numerous services to its customers. Among the various services offered, technology innovation services, provisions relating to car loan service, availability of physical facilities, ATM services, charges on financial services and safe custody deposits services were identified by the researcher to be more useful and vital in the sense that any
deficiency in these services would cause many inconvenience and hence these were selected and analysed in the present study.

5.2 ANALYTICAL FRAMEWORK OF SERVICES

Data relating to the perception of the customers towards facilities offered by the Indian Bank were collected with the help of a pre-determined and well structured interview schedule. The customers were asked to rate the given statements on the basis of Likert’s five-point scaling technique namely strongly agree, agree, no opinion, disagree and strongly disagree. The scores assigned to the above said scales are 5, 4, 3, 2, and 1 respectively. The mean score on each statement obtained for the respective variable among the three groups were calculated separately. In order to highlight the significant difference if any among the three groups of the respondents regarding their perception towards facilities offered by the Indian bank, the one way Analysis of Variance (ANOVA) was administered.

5.3 PERCEPTION TOWARDS TECHNOLOGY INNOVATION/AIDED SERVICES

Now-a-days, banking is extremely important in the world’s economy. The banking functions are the routine functions of one’s life. Now all the banks have realized that technology is at the foundation of all its functions and integrated paperless systems and process. Banks felt the need to pay special attention to service quality issues to satisfy the customer needs. After the introduction of computerized operations like ATM services, e-banking, net banking, today the banks are able to render these services fast covering a large number of customers
within a short span of time. ATM counters spread across the country have facilitated easy and quick realization of money at any time. We are in “ready money round the clock” period. ATMs, money transfer and green channel counters have favourably caused considerable reduction of crowd in the bank premises and less paper work. The usage of information technology endorsed services like net banking, tele banking, mobile banking and ATM service are felt more important.

Hence, it is essential to focus on the perception of the customers towards technology innovation services available in general. In the present study, five statements were identified by the researcher to measure the perception of the customers towards the technology innovation services, like green channel counter, cheque truncation system, core banking, net banking and mobile banking.

In order to highlight the significant difference among the three groups of customers regarding the perception on the five statements, data relating to the perception of the respondents were collected and the one way Analysis of Variance (ANOVA) was administered. The mean score on each statement obtained was calculated separately. The resulted mean score on the perception of the respondents towards the technology innovation services and the respective ‘F’ statistics are presented in Table 5.1.
Table 5.1 shows that the ‘other type of respondents’ perceived highly on almost all the aspects of technology innovation services more than the ‘businessmen’ and the ‘employees’ since the respective mean scores on the various factors in technology innovation services are greater than others. The highly perceived factors among the ‘other type of respondents’ were ‘green channel counter’, ‘net banking’ and ‘cheque truncation system’ since the respective mean scores are 3.56, 3.13 and 2.96 respectively. Among the ‘businessmen’, these factors were ‘green channel counter’, ‘core banking’, and ‘mobile banking’ since the receptive mean scores were 3.44, 3.16 and 2.98. Among the mean scores of the factors of the ‘employees’, except the factor ‘green channel counter’, all other factors with less than 2.8 mean score had negative attitude towards the various factors. The ‘employees’ perceived as very low on the factors namely ‘core banking’, ‘net banking’, ‘mobile banking’ and ‘cheque truncation system’, since the mean scores were 2.80, 2.64, 2.49 and 2.47 respectively.
A significant difference among the three different groups of respondents was identified regarding their attitude towards the factor technology innovation or technology aided services on its various aspects especially in ‘cheque truncation system, and ‘mobile banking’, since the respective ‘F’ statistics were significant at 1 per cent level. On the other hand, ‘core banking,’ was significant at 5 per cent level. However, the aspects like ‘green channel counter,’ and ‘net banking’ were found to be not significant. The analysis infers that the ‘employee’ category was poor in their perception on the attitude towards the facility technology innovation or aided services when compared to ‘businessmen’ and the other type of respondents.

Perception towards Technology Innovation Service Index (TISI) among the Respondents

The TIS index was prepared for further analysis. The TIS index is calculated by

\[
TISI = \frac{\sum_{i=1}^{n} SATISV_i}{\sum_{i=1}^{n} MSATISV_i} \times 100
\]

Where,

\[
TISI = \text{Technology Innovation Service Index}
\]

\[
SATISV = \text{Score on the Attitude towards Technology Innovation Service Variable}
\]

\[
MSATISV = \text{Maximum Score on the attitude towards Technology Innovation Service Variable}
\]
i = 1 …… n = Number of Technology Innovation Service variables included.

In the present study, TISI is confined to 25 - 50, 50 – 75 and 75 – 100 per cent. The distribution of the respondents according to the TISI is shown in Table 5.2.

**TABLE 5.2**

Technology Innovation Service Index among the Respondents

<table>
<thead>
<tr>
<th>TIS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>25 – 50</td>
<td>75 (55.56)</td>
<td>25 (18.52)</td>
</tr>
<tr>
<td>50 – 75</td>
<td>82 (37.11)</td>
<td>110 (49.77)</td>
</tr>
<tr>
<td>75 – 100</td>
<td>68 (72.34)</td>
<td>15 (15.96)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>225 (50.00)</td>
<td>150 (33.33)</td>
</tr>
</tbody>
</table>

*Source: Primary data*

Figures in parentheses denote percentages to total

It is observed from Table 5.2 that in total, a maximum of 221 of the respondents were having TISI of 50 - 75 per cent followed by 135 of the respondents who had TISI of 25 - 50 per cent. There were 94 respondents having TISI of 75 - 100 per cent. Among the employees, the number of respondents having TISI of 25 – 50 per cent constitutes 55.56 per cent to its total, whereas among the businessmen, it constitutes 18.52 per cent. So, in the case of other type of respondents, those having TISI of 25 – 50 per cent constitute 25.92 per cent to its total. At the same time, the businessmen having TISI of 50 – 75 per cent out
numbered the employees and the other type of respondents 13.12 per cent. However, the number of businessmen having TISI of 50 -75 per cent constitutes 49.77 per cent of the total whereas among the employees and the other category of customers it was 37.11 and 13.12 per cent respectively. Regarding the customers with 75 – 100 per cent TISI, a maximum of 72.34 per cent of the employees belong to this category whereas 15.96 per cent businessmen and 11.70 per cent other type of respondents belong to this level of TISI. It reveals the existence of poor perception towards technology innovation services among the employees and better perception among the other two categories of respondents.

5.4 PERCEPTION TOWARDS CAR LOAN SERVICE

In the present study, for every service five statements were identified by the researcher to measure the customer’s perception towards the availability of car loan service as it is essential to focus on the attitude of the customers towards the loan services available in general. They are easy repayment options, no hidden charges, quick sanction, hassle free procedure, and free accident insurance. In order to reveal the significant difference among the three types of customers regarding the perception on the five statements, data relating to the perception of the respondents were collected and the one way Analysis of Variance (ANOVA) has been administered. The mean score on each statement obtained was calculated separately. The resulted mean score on the perception of the customers towards car loan services and the respective ‘F’ statistics are presented in Table 5.3.
TABLE 5.3

Perception of Respondents towards the Car Loan Service

<table>
<thead>
<tr>
<th>Causes</th>
<th>Mean Scores</th>
<th>'F' Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Easy repayment options</td>
<td>3.86</td>
<td>2.98</td>
</tr>
<tr>
<td>No hidden charges</td>
<td>3.43</td>
<td>2.87</td>
</tr>
<tr>
<td>Quick sanction</td>
<td>2.85</td>
<td>2.67</td>
</tr>
<tr>
<td>Hassle free procedure</td>
<td>3.36</td>
<td>2.64</td>
</tr>
<tr>
<td>Free accident insurance</td>
<td>2.65</td>
<td>3.11</td>
</tr>
</tbody>
</table>

Source: Primary data
** Significant at 1 per cent level
N.S. - Not Significant.

Table 5.3 shows that the ‘other type of respondents’ perceived as high on some of the aspects of car loan service more than the ‘businessmen’ and the ‘employees’ since the respective mean scores on those selected factors were greater than others. The factors among the ‘other type of respondents were ‘easy repayment options’, ‘No hidden charges’ and ‘hassle free procedure’ since the respective mean highly perceived scores were 3.75, 3.38 and 3.17 respectively. Among the ‘Employees’ these factors were ‘no hidden charges’, ‘hassle free procedure’, and ‘easy repayment options’ since the respective mean scores were 3.43, 3.36 and 3.86 respectively. Among the mean scores of the factors of the ‘businessmen’ group of respondents, except the factors ‘free accident insurance’, all other factors with less than 2.9 had negative attitude. The ‘businessmen’ perceived as very low on the factors namely ‘hassle free procedure’, ‘quick sanction’, ‘no hidden charges’, and ‘easy repayment options’ at all times since the mean scores are 2.64, 2.67, 2.87 and 2.98 respectively.
A significant difference among the three different groups of respondents were identified regarding the perception of respondents towards the factor car loan service on its various aspects especially in ‘easy repayment options’ ‘no hidden charges’ and ‘hassle free procedure’ since the respective ‘F’ statistics were significant at 1 per cent level. However, the aspects like ‘quick sanction’ and ‘free accident insurance’ were found to be not significant. The analysis infers that the ‘businessmen’ category was poor in their perception towards the facility car loan when compared to ‘employees’ and the ‘other type of respondents’.

**Perception towards Car Loan Service Index (CLSI) among the Respondents**

The CLS index was prepared for further analysis. The CLS index is calculated by

\[
\text{CLSI} = \frac{\sum_{i=1}^{n} \text{SACLHV}_{i}}{\sum_{i=1}^{n} \text{MSACLHV}_{i}} \times 100
\]

Where,

- \( \text{CLSI} \) = Car Loan Service Index
- \( \text{SACLHV} \) = Score on the Attitude towards Car Loan Service Variable
- \( \text{MSACLHV} \) = Maximum Score on the attitude towards Car Loan Service Variable
- \( i = 1 \ldots n \) = Number of Car Loan Service variables included.
In the present study, CLSI is confined to 25 - 50, 50 – 75 and 75 – 100 per cent. The distribution of the respondents according to the CLSI is shown in Table 5.4.

**TABLE 5.4**

**Car Loan Service Index among the Respondents**

<table>
<thead>
<tr>
<th>CLS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>25 – 50</td>
<td>43 (51.8)</td>
<td>25 (30.1)</td>
</tr>
<tr>
<td>50 – 75</td>
<td>143 (47.51)</td>
<td>109 (36.21)</td>
</tr>
<tr>
<td>75 – 100</td>
<td>39 (59.09)</td>
<td>16 (24.24)</td>
</tr>
<tr>
<td>Total</td>
<td>225 (50.00)</td>
<td>150 (33.33)</td>
</tr>
</tbody>
</table>

**Source:** Computed data

Figures in parentheses denote percentages to total

Table 5.4 shows that in total, a maximum of 301 customers had CLSI of 50 - 75 per cent followed by 83 respondents having CLSI of 25 - 50 per cent. The number of customers having CLSI of 75 - 100 per cent constitutes 66 respondents. Among the employees, the number of customers having CLSI of 25 – 50 per cent constitutes only 51.8 per cent to its total, whereas among the businessmen, it constitutes 30.1 per cent. So also in the case of other type of respondents, the number of respondents having CLSI of 25 – 50 per cent constitutes 18.15 per cent to its total. At the same time, the businessmen having CLSI of 50 – 75 per cent of the respondents of employees and the other type of respondents 36.21 per cent. However, the number of other type of respondents having CLSI of 50 - 75 per cent
constitutes 16.28 per cent of the total whereas among the employees category of respondents it was 47.51 per cent. Regarding the customers with 75 – 100 per cent CLSI, 59.09 per cent of the employees belong to this category whereas as 24.24 per cent of the businessmen and 16.67 per cent of the other type of respondents belong to this level of CLSI. It reveals the existence of poor perception towards car loan facility among the businessmen had better attitude among the other two categories of respondents.

5.5 PERCEPTION TOWARDS PROVISION OF PHYSICAL FACILITIES

Physical facilities are inevitable for any type of service provider. For the successful functioning of a bank, the physical facilities are very important. The customers must feel at home and comfortable with the facilities offered and created in the banking premises. Even a small inconvenience caused to the customers may adversely influence the attitude of customers towards the bank to a larger extent. The physical facilities of a bank will boost their image also. Hence, the customer expectations must be satisfied. Hence it is essential to focus on the perception of the customers towards the physical facilities made available in general. In the present study five statements were identified by the researcher to measure the perception of the customers towards the provision of physical facilities. These are ‘canteen facilities’, ‘availability of staff’, ‘seating arrangement’, ‘adequate vehicle parking shed’ and ‘purified cool drinking water’.

In order to highlight the significant difference among the three groups of respondents regarding the perception on the five statements, data relating to the perception of the respondents were collected and the one way Analysis of Variance
(ANOVA) was administered. The mean score on each statement obtained was calculated separately. The resulting mean score on the perception of the respondents towards the provision of physical facilities and the respective ‘F’ statistics are presented in Table 5.5.

### TABLE 5.5

Perception of Respondents towards Physical facilities

<table>
<thead>
<tr>
<th>Causes</th>
<th>Mean Scores</th>
<th>‘F’ Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Canteen facilities</td>
<td>2.68</td>
<td>2.50</td>
</tr>
<tr>
<td>Availability of staff</td>
<td>2.89</td>
<td>2.91</td>
</tr>
<tr>
<td>Seating arrangement</td>
<td>2.60</td>
<td>2.93</td>
</tr>
<tr>
<td>Adequate vehicle parking shed</td>
<td>2.82</td>
<td>2.84</td>
</tr>
<tr>
<td>Purified cool drinking water</td>
<td>3.16</td>
<td>3.00</td>
</tr>
</tbody>
</table>

**Source:** Primary data  
* Significant at 1 per cent level  
N.S. - Not Significant.

Table 5.5 shows that all the three categories of respondents had different perception on all the aspects of physical facilities since the respective mean scores on the various factors in physical facilities were dissimilar to one another. The highly perceived factors among the ‘other type of respondents’ were ‘adequate vehicle parking shed,’ ‘canteen facilities, and ‘seating arrangement’, is made available, since the respective mean scores were 3.04, 3.00 and 2.99 respectively. Among the ‘businessmen’, these factors were ‘purified cool drinking water’, ‘seating arrangement’ and ‘availability of staff’, since the respective mean scores
were 3.00, 2.93 and 2.91. Among the mean scores of the factors of the ‘employees’, the highly perceived factors were ‘purified cool drinking water’, ‘availability of staff,’ and ‘adequate vehicle parking shed,’ since the respective mean scores were 3.16, 2.89 and 2.82 respectively. The factors like ‘canteen facilities’, and ‘seating arrangement,’ had negative attitude towards the various factors related to physical facilities offered by the Indian Bank.

A significant difference among the three different groups of respondents was identified regarding the perception of respondents towards the factor physical facilities on its various aspects especially in ‘canteen facilities’ since the respective ‘F’ statistics were significant at 5 per cent level. However the aspects like ‘availability of staff’, ‘seating arrangement’, ‘adequate vehicle parking shed’ and ‘purified cool water facility,’ were found to be not significant at 5 per cent level. The analysis infers that the ‘businessmen were poor in their perception on the attitude towards the physical facility compared to the ‘other type of respondents and the ‘employees’ respondents.

**Perception towards Physical Facilities Service Index (PFSI) among the Respondents**

The PFS index was prepared for further analysis. The PFS index is calculated by

\[
PFSI = \frac{\sum_{i=1}^{n} SAPFSV_i}{\sum_{i=1}^{n} MSAPFSV_i} \times 100
\]
Where,

\[
PFSI = \text{Physical Facilities Service Index}
\]

\[
SAPFSV = \text{Score on the Attitude towards Physical Facility Service Variable}
\]

\[
MSAPFSV = \text{Maximum Score on the attitude towards Physical Facility Service Variable}
\]

\[
i = 1 \ldots n = \text{Number of Physical Facility Service variables included.}
\]

In the present study, PFSI is confined to less than 25, 25 - 50, 50 – 75 and 75 – 100 per cent. The distribution of the respondents according to the PFSI is shown in Table 5.6.

**TABLE 5.6**

<table>
<thead>
<tr>
<th>PFS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Less than 25</td>
<td>-----</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(66.7)</td>
</tr>
<tr>
<td>25 – 50</td>
<td>75</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>(55.56)</td>
<td>(32.59)</td>
</tr>
<tr>
<td>50 – 75</td>
<td>96</td>
<td>97</td>
</tr>
<tr>
<td></td>
<td>(40.68)</td>
<td>(41.10)</td>
</tr>
<tr>
<td>75 - 100</td>
<td>54</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>(71.05)</td>
<td>(9.21)</td>
</tr>
<tr>
<td>Total</td>
<td>225</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>(50.00)</td>
<td>(33.33)</td>
</tr>
</tbody>
</table>

**Source:** Primary data

Figures in parentheses denote percentages to total
Table 5.6 shows that in total, a maximum of 236 respondents were having PFSI of 50 - 75 per cent followed by 135 respondents having PFSI of 25 – 50 per cent. The number of customers having PFSI of less than 25 per cent constitute only three respondents of the total and 76 respondents of the total have 75 – 100 per cent PFSI. Among the employees, the number of respondents having PFSI of 25 – 50 per cent constitutes 55.56 per cent to its total, whereas among the businessmen category it constitutes 32.59 per cent. Whereas in the case of other type of respondents, where the number of respondents having PFSI of 25 – 50 per cent constitute 17.53 per cent to its total. However, the number of employees having PFSI of 50 - 75 per cent constitutes 40.68 per cent of the total whereas among the other type of respondents it was 18.22. Regarding customers with 75 – 100 per cent PFSI, 71.05 per cent of the employees belong to this category whereas as 9.21 per cent of the businessmen and 19.74 per cent others type of customers belong to this level of PFSI. It is also evident that none of the employees have less than 25 level of PFSI but the businessmen and the other type of respondents had 66.7 per cent and 33.3 per cent level of PFSI. It reveals the existence of poor perception towards canteen facilities among the businessmen and better attitude among the other two categories of respondents.

5.6 PERCEPTION TOWARDS THE ATM SERVICES

ATM Card (Automated Teller Machine) is a magnetic – stripped bank card that was primarily introduced for the purpose of allowing the customers to withdraw their cash or money from their account without human intervention. As per the survey conducted, it was observed and expected that the total number of
ATMs across the world would cross 2.5 million by 2013. The popularity of ATM card is a clear indication of people’s preference for easy and fast way of cash withdrawal\(^5\). Hence it is essential to focus on the perception of the customers towards ATM facilities available in general. In the present study five statements were identified by the researcher to measure the attitude of the respondents towards the provision of ATM services. These are machine default, queuing in ATM centres, single ATM machine, absence of watchmen and non availability of CCTV.

In order to highlight the significant difference among the three groups of respondents regarding their perception on the selected five statements, data were collected and the one way Analysis of Variance (ANOVA) was administered. The mean score on each statement obtained was calculated separately. The resulting mean score on the perception of the respondents towards ATM services and the respective ‘F’ statistics are presented in Table 5.7.

### TABLE 5.7
Perception of Respondents towards ATM Services

<table>
<thead>
<tr>
<th>Causes</th>
<th>Mean Scores</th>
<th>‘F’ Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Machine default</td>
<td>2.60</td>
<td>2.60</td>
</tr>
<tr>
<td>Queuing in ATM centres</td>
<td>2.52</td>
<td>2.98</td>
</tr>
<tr>
<td>Single ATM machine</td>
<td>2.49</td>
<td>2.96</td>
</tr>
<tr>
<td>Absence of watchmen</td>
<td>3.06</td>
<td>3.04</td>
</tr>
<tr>
<td>Non availability of CCTV</td>
<td>3.00</td>
<td>3.11</td>
</tr>
</tbody>
</table>

*Source: Primary data*

** Significant at 1 per cent level

N.S. - Not Significant.
Table 5.7 has revealed that the ‘other type of respondents perceived highly on all the aspects of ATM services more than the ‘businessmen’ and the ‘employees type of respondents’ since the respective mean scores on the various factors in ATM services were greater than that of others. The highly perceived factors among the ‘other type of respondents’ were ‘queuing in ATM centres,’ ‘single ATM machine,’ and ‘absence of watchmen’ since the respective mean scores were 3.26, 3.21 and 3.21 respectively. Among the ‘businessmen’, these factors were ‘non availability of CCTV’, ‘absence of watchmen’, and ‘queuing in ATM centres,’ since the respective mean scores were 3.11, 3.04 and 2.98. Among the mean score of the ‘employees’, except the factor ‘absence of watchmen’, all other factors with less than 2.9 mean score had negative attitude. The ‘employees’ perceived as very low on the factors namely ‘non availability of CCTV’, ‘machine default ’, ‘queuing in ATM centres ’, and ‘absence of watchmen’ since the mean scores were 3.00, 2.60, 2.52 and 2.49 respectively.

A significant difference among the three different groups of respondents was identified regarding the perception towards various aspects especially in ‘machine default,’ queuing in ATM centres,’ ‘single ATM machine,’ since the respective ‘F’ statistics were significant at 1 per cent level. The aspects like ‘absence of watchmen,’ and ‘non availability of CCTV,’ were found to be not significant at 1 per cent level. The analysis infers that the ‘employees’ category is poor in their perception on the attitude towards the availability of ATM services when compared to the other type of respondents.
Perception towards ATM Service Index (ATMSI) among the Respondents

The ATMS index was prepared for further analysis. The ATMS index is calculated by

\[
ATMSI = \frac{\sum_{i=1}^{n} SAATMSV_i}{\sum_{i=1}^{n} MSAATMSV_i} \times 100
\]

Where,

\[
\begin{align*}
ATMSI & = \text{ATM Service Index} \\
SAATMSV & = \text{Score on the Attitude towards ATM Service Variable} \\
MSAATMSV & = \text{Maximum Score on the attitude towards ATM Service Variable} \\
i = 1 \ldots \ldots n & = \text{Number of ATM Service variables included.}
\end{align*}
\]

In the present study, ATMSI is confined to less than 25, 25 - 50, 50 - 75 and 75 – 100 per cent. The distribution of the respondents according to the ATMSI is shown in Table 5.8.
Table 5.8 shows that in total, a maximum of 203 respondents having ATMSI of 25 - 50 per cent followed by 154 who have ATMSI of 50 -75 per cent. The numbers of respondents who have ATMSI of less than 25 per cent constitute only one respondent. Out of 92 respondents having 75 – 100 per cent ATMSI, 22 were businessmen. Among the employees, the number of customers who had ATMSI of 25 – 50 per cent constitutes 66.99 per cent to its total, whereas among businessmen, it constitutes 17.73 per cent. Also in the case of the other type of respondents who had ATMSI of 25 – 50 per cent constitutes 15.28 per cent to its total. At the same time, the customer having ATMSI of 50 – 75 per cent outnumbered the employees and the others 59.09 per cent. However, the number of businessmen having ATMSI of 50 – 75 per cent constitutes 59.09 per cent of the total whereas among the employees and the other type of respondents, it was 23.38.

### Table 5.8

<table>
<thead>
<tr>
<th>ATMS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Less than 25</td>
<td>1</td>
<td>1 (100)</td>
</tr>
<tr>
<td>25 – 50</td>
<td>136 (66.99)</td>
<td>36 (17.73)</td>
</tr>
<tr>
<td>50 – 75</td>
<td>10 (23.38)</td>
<td>91 (59.09)</td>
</tr>
<tr>
<td>75 – 100</td>
<td>53 (57.61)</td>
<td>22 (23.91)</td>
</tr>
<tr>
<td>Total</td>
<td>225 (50.00)</td>
<td>150 (33.33)</td>
</tr>
</tbody>
</table>

Source: Primary data

Figures in parentheses denote percentages to total
and 21.80 per cent respectively. Regarding the customers with 75 – 100 per cent ATMSI, 57.61 per cent of the employees 23.91 per cent of the businessmen and 18.98 per cent of the other type of respondents belong to this level of ATMSI. It is inferred that there prevails a poor attitude towards ATM service among the employees and better attitude among the other two categories of respondents.

5.7 PERCEPTION TOWARDS CHARGES ON FINANCIAL SERVICES

Service charges (Tax) assumes great significance as almost all the services provided by banks, financial institutions and non banking finance companies are eligible to service charges. The levy of service charges under new regime of service tax w.e.f. July 1st 2012 covers all activities except those in the negative list or those which have been specifically exempted from service tax. An attempt has been made to provide a comprehensive analysis of levy of service charges on financial and banking services⁶.

Hence, it is essential to focus on the perception of the customers towards charges on financial services available in general. In the present study five statements were identified by the researcher to measure the perception of the customers towards the charges on financial services. These are charges on ‘other bank ATM transactions,’ deposits in non home branches,’ demand draft, ’cheque book charges, and charges on sending SMS. Service charges on these financial services are felt important by the customers.

In order to highlight the significant difference among the three groups of respondents regarding the perception on the five statements, data relating to the
perception of the respondents were collected and the one way Analysis of Variance (ANOVA) was administered. The mean score on each statement obtained was calculated separately. The resulted mean score on the perception of the respondents towards the charges on financial services and the respective ‘F’ statistics are presented in Table 5.9.

**TABLE 5.9**

Perceptions of Respondents towards Charges on Financial Services

<table>
<thead>
<tr>
<th>Causes</th>
<th>Mean Scores</th>
<th>‘F’ Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Other bank ATM transactions</td>
<td>2.90</td>
<td>3.25</td>
</tr>
<tr>
<td>Deposits in non home branches</td>
<td>2.65</td>
<td>2.56</td>
</tr>
<tr>
<td>Demand draft</td>
<td>3.65</td>
<td>3.90</td>
</tr>
<tr>
<td>Cheque book charges</td>
<td>2.24</td>
<td>2.20</td>
</tr>
<tr>
<td>Charges on sending SMS</td>
<td>3.07</td>
<td>3.08</td>
</tr>
</tbody>
</table>

**Source:** Computed data

** Significant at 1 per cent level
* Significant at 5 per cent level,
N.S. - Not Significant.

Table 5.9 reveals that all the three categories of respondents had different perception on all the aspects of ‘charges on financial services’ since the respective mean scores on the various factors in charges on financial services were dissimilar to one another. Among the ‘other type of respondents’ the highly perceived factors were ‘demand draft’, ‘charges on sending SMS’ and ‘cheque book charges’.
the respective mean scores were 3.43, 3.21 and 2.60 respectively. Among the ‘businessmen’ these factors were ‘demand draft’, ‘other bank ATM transactions’, and ‘charges on sending SMS’, since the respective mean scores were 3.90, 3.25 and 3.08. Among the mean scores of the factors of the employees, the highly perceived factors were ‘demand draft’, ‘charges on sending SMS’ and ‘other bank ATM transactions’, since the respective mean scores were 3.65, 3.07 and 2.90 respectively. The factors like ‘deposits in non home branches’ and ‘cheque book charges’ showed negative attitude towards the various factors related to charges on financial services, offered by the Indian Bank.

A significant difference among the three different groups of respondents was identified regarding the perception of respondents towards the charges on financial services and on its various aspects especially in ‘other bank ATM transactions,’ since the ‘F’ statistics was significant at 1 per cent level while ‘demand draft’ and ‘cheque book charges’ were significant at 5 per cent level. However the aspects like ‘deposits in non home branches’ and ‘charges on sending SMS’ were found to be in significant. The analysis infers that the ‘other type of respondents’ was poor in their perception towards the facilities of charges on financial services when compared to ‘businessmen’ and the ‘employees’.
Perception towards Charges on Financial Service Index (CFSI) among the Respondents

The CFS index was prepared for further analysis. The CFS index is calculated by

\[
CFSI = \frac{\sum_{i=1}^{n} SACFSV_i}{\sum_{i=1}^{n} MSACFSV_i} \times 100
\]

Where,

\[
\begin{align*}
\text{CFSI} & = \text{Charges on Financial Service Index} \\
\text{SACFSV} & = \text{Score on the Attitude towards Charges on Financial Service Variable} \\
\text{MSACFSV} & = \text{Maximum Score on the Attitude towards Charges on Financial Service Variable} \\
i = 1 \ldots n & = \text{Number of Charges on Financial Service variables included.}
\end{align*}
\]

In the present study, CFSI is confined to 25 - 50, 50 - 75 and 75 - 100 per cent. The distribution of the respondents according to the CFSI is shown in Table 5.10.
<table>
<thead>
<tr>
<th>CFS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>25 - 50</td>
<td>121</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>(80.13)</td>
<td>(13.91)</td>
</tr>
<tr>
<td>50 - 75</td>
<td>86</td>
<td>126</td>
</tr>
<tr>
<td></td>
<td>(34.26)</td>
<td>(50.19)</td>
</tr>
<tr>
<td>75 - 100</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>(47.36)</td>
<td>(7.89)</td>
</tr>
<tr>
<td>Total</td>
<td>225</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>(50.00)</td>
<td>(33.33)</td>
</tr>
</tbody>
</table>

**Source:** Primary data
*Figures in parentheses denote percentages to total*

Table 5.10 reveals that in total, a maximum of 251 respondents were having CFSI of 50 - 75 per cent followed by 151 respondents with CFSI of 25 - 50 per cent. The number of respondents having CFSI of 75 -100 per cent constitute 38 respondents. Among the respondents, the number of employees having CFSI of 25 – 50 per cent constitutes 80.13 per cent of the total, whereas among the businessmen, it constitutes 13.91 per cent. Also in the case of other type of respondents, the number of respondents having CFSI of 25 – 50 per cent constitutes 12.58 per cent to its total. However, the other type of respondents having CFSI of 50 – 75 per cent constitutes 15.55 per cent of the total. Regarding respondents with 75 – 100 per cent CFSI, only 47.36 per cent of the employees belong to this category whereas 44.75 per cent of the other type of respondents and 7.89 per cent businessmen belong to this level of CFSI. It reveals the existence of
poor attitude towards the charges on financial services among the other type of respondents and better attitude among the other two categories of respondents.

5.8 PERCEPTION TOWARDS SAFE CUSTODY DEPOSIT SERVICES

Banks accept shares, debentures, bonds, fixed deposit receipts, property deeds, life insurance policies, and valuables such jewellery from the customers for safe custody. Banks are equipped with strong and fire proof rooms for the maintenance of these articles. Safe custody services are normally offered to those customers who maintain satisfactory accounts. The bank hires out safe deposit locker facility to its customers in selected branches. Lockers are very convenient to keep valuables and official documents. Lockers are hired out to its customers which has security arrangements like grill and fire proof. In the present study five statements were identified by the researcher to measure the perception of the customers towards the safe custody deposits services. These are ‘availability of locker’, ‘size and space are adequate’, ‘reasonable locker rent,’ ‘quick and immediate service’ and ‘simple procedure’.

In order to highlight the significant difference among the three groups of regarding the perception on the five statements, data relating to the perception of the respondents were collected and the one way Analysis of Variance (ANOVA) was administered. The mean score on each statement obtained was calculated separately. The resulted mean score on the perception of the respondents towards the safe custody deposits services and the respective ‘F’ statistics are presented in Table 5.11.
TABLE 5.11

Perception of Respondents towards Safe Custody Deposit Service

<table>
<thead>
<tr>
<th>Causes</th>
<th>Mean Scores</th>
<th>'F' Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>Availability of lockers</td>
<td>3.43</td>
<td>3.44</td>
</tr>
<tr>
<td>Size and space are adequate</td>
<td>2.46</td>
<td>2.93</td>
</tr>
<tr>
<td>Reasonable rent</td>
<td>2.80</td>
<td>3.16</td>
</tr>
<tr>
<td>Quick and immediate service</td>
<td>2.64</td>
<td>2.98</td>
</tr>
<tr>
<td>Simple procedure</td>
<td>2.94</td>
<td>2.98</td>
</tr>
</tbody>
</table>

Source: Primary data,
** Significant at 1 per cent level
* Significant at 5 per cent level,
N.S. - Not Significant.

Table 5.11 shows that the ‘other type of respondents’ perceived highly on almost all the aspects of safe custody deposits service more than the ‘businessmen’ and the ‘employees’ since the respective mean scores on the various factors in safe custody deposits are greater than others. The highly perceived factors among the other type of respondents were ‘availability of lockers’, ‘quick and immediate service’ and ‘size and space are adequate’ since the respective mean scores were 3.56, 3.13 and 2.96 respectively. Among the ‘businessmen’, these factors were ‘availability of lockers’, ‘resonable locker rent,’ and ‘simple procedure’ since the receptive mean scores were 3.44, 3.16 and 2.98. Among the mean scores of the factors of the ‘employees, except the factor ‘availability of lockers’, all other factors with less than 2.98 had negative attitude towards the various factors. The ‘employees’ perceived as very low on the factors namely ‘reasonable locker rent’, ‘quick and immediate service’, ‘simple procedure’ and ‘sufficient space and size’, since the mean scores were 2.80, 2.64, 2.94 and 2.46 respectively.
A significant difference among the three different groups of respondents was identified regarding their attitude towards the factor safe custody deposits and on its various aspects especially in ‘sufficient space and size’, and ‘simple procedure’ since the respective ‘F’ statistics were significant at 1 per cent level. On the other hand, ‘quick and immediate service’ were significant at 5 per cent level. However the aspects like ‘availability of lockers’ and ‘quick and immediate procedure’ were found to be not significant. The analysis infers that the ‘employees’ category was poor in their perception on the attitude towards the facility safe custody deposits when compared to ‘businessmen’ and the other type of respondents.

**Perception towards Safe Custody Deposits Service Index (SCDSI) among the Respondents**

The SCDS index was prepared for further analysis. The SCDS index is calculated by

\[
SCDSI = \frac{\sum_{i=1}^{n} SASCDSV_i}{\sum_{i=1}^{n} MSASCDSV_i} \times 100
\]

Where,

- **SCDSI** = Safe Custody Deposits Service Index
- **SASCDLSV** = Score on the Attitude towards Safe Custody Deposits Service Variable
- **MSASCDSV** = Maximum Score on the Attitude towards Safe Custody Deposits Service Variable
\[ i = 1 \ldots n = \text{Number of Safe Custody Deposits Service variables included.} \]

In the present study, SCDSI is confined to 25 - 50, 50 – 75 and 75 – 100 per cent. The distribution of the respondents according to the SCDSI is shown in Table 5.12.

### TABLE 5.12

**Safe Custody Deposits Service Index among the Respondents**

<table>
<thead>
<tr>
<th>SCDS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>25 – 50</td>
<td>75 (55.56)</td>
<td>25 (18.52)</td>
</tr>
<tr>
<td>50 – 75</td>
<td>28 (37.11)</td>
<td>110 (49.77)</td>
</tr>
<tr>
<td>75 – 100</td>
<td>68 (72.34)</td>
<td>15 (15.96)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>225 (50.00)</td>
<td>150 (33.33)</td>
</tr>
</tbody>
</table>

**Source:** Primary data  
Figures in parentheses denote percentages to total

It is observed from Table 5.12 that, in total, a maximum of 221 of the respondents were having SCDSI of 50 - 75 per cent followed by 135 of the respondents who had SCDSI of 25 - 50 per cent. There were 94 respondents having SCDSI 75 - 100 per cent. Among the employees, the number of customers having SCDSI of 25 – 50 per cent constitutes 55.56 per cent to its total, whereas among the businessmen, it constitutes 18.52 per cent. So, also in the case of other type of respondents, those having SCDSI of 25 – 50 per cent constitute 42.59 per cent to its total. At the same time, the businessmen having SCDSI of 50 – 75 per
cent out numbered the employees and the other type of respondents 13.12 per cent. However, the number of businessmen having SCDSI of 50-75 per cent constitutes 49.77 per cent of the total whereas among the employees and the other category of respondents it was 37.11 and 13.12 per cent respectively. Regarding the respondents with 75 – 100 per cent SCDSI, a maximum of 72.34 per cent of the employees belong to this category whereas 15.96 per cent businessmen and 11.70 per cent other type of respondents belong to this level of SCDSI. It reveals the existence of poor perception towards safe custody deposits service among the employees and better perception among the other two categories of respondents.

5.9 OVERALL SERVICES

The overall services represent the summation of the services relating to ‘technology innovation services,’ ‘car loan services,’ ‘availability of physical facilities,’ ‘ATM services,’ ‘charges on financial services’ and ‘safe custody deposit services. The overall service index is created by

$$\text{OSI} = W_1\text{TISI} + W_2\text{CLSI} + W_3\text{PFSI} + W_4\text{ATMSI} + W_5\text{CFSI} + W_6\text{SCDSI}$$

Where,

$$\text{OSI} = \text{Overall Service Index}$$

$$\text{TISI} = \text{Technology Innovation Service Index}$$

$$\text{CLSI} = \text{Car Loan Service Index}$$
**PFSI** = Physical Facilities Service Index

**ATMSI** = ATM Service Index

**CFSI** = Charges on Financial Services Index

**SCDSI** = Safe Custody Deposits Service Index

\[ W_1, W_2, W_3, W_4, W_5, W_6 = \text{Weightage of the above said indices} \]

\[
\sum_{\text{MSATISV}} = \frac{\sum_{\text{MSATISV}} + \sum_{\text{MSACLSV}} + \sum_{\text{MSAPFSV}} + \sum_{\text{MSAATMSV}} + \sum_{\text{MSACFSV}} + \sum_{\text{MSASCDSV}}}{W_1}
\]

Where,

**MSATISV** = Maximum Score in the Attitude towards Technology Innovation Service Variable

**MSACLSV** = Maximum Score in the Attitude towards Car Loan Service Variable

**MSAPFSV** = Maximum Score in the Attitude towards Physical Facilities Service Variable

**MSAATMSV** = Maximum Score in the Attitude towards ATM Service Variable

**MSACFSV** = Maximum Score in the Attitude towards Charges on Financial Service Variable

**MSASCDSV** = Maximum Score in the Attitude towards Safe Custody Deposit Service Variable
\[ \sum \text{MSACLSV} \]

\[ W_2 = \sum \text{MSATISV} + \sum \text{MSAPFSV} + \sum \text{MSAATMSV} + \sum \text{MSACFSV} + \sum \text{MSASCDSV} \]

\[ \sum \text{MSAPFSV} \]

\[ W_3 = \sum \text{MSATISV} + \sum \text{MSACLSV} + \sum \text{MSAPFSV} + \sum \text{MSAATMSV} + \sum \text{MSACFSV} + \sum \text{MSASCDSV} \]

\[ \sum \text{MSAATMSV} \]

\[ W_4 = \sum \text{MSATISV} + \sum \text{MSACLSV} + \sum \text{MSAPFSV} + \sum \text{MSAATMSV} + \sum \text{MSACFSV} + \sum \text{MSASCDSV} \]

\[ \sum \text{MSACFSV} \]

\[ W_5 = \sum \text{MSATISV} + \sum \text{MSACLSV} + \sum \text{MSAPFSV} + \sum \text{MSAATMSV} + \sum \text{MSACFSV} + \sum \text{MSASCDSV} \]

\[ \sum \text{MSASCDSV} \]

\[ W_6 = \sum \text{MSATISV} + \sum \text{MSACLSV} + \sum \text{MSAPFSV} + \sum \text{MSAATMSV} + \sum \text{MSACFSV} + \sum \text{MSASCDSV} \]

The Overall Service Index (OSI) of the respondents is computed. The OSI among the respondents is confined to 25-50, 50-75 and 75-100 per cent. The distribution of the respondents according to OSI is shown in Table 5.13.
### Table 5.13
Overall Service Index among the Respondents

<table>
<thead>
<tr>
<th>OS Index (%)</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Businessmen</td>
</tr>
<tr>
<td>25 – 50</td>
<td>44 (32.11)</td>
<td>24 (16.00)</td>
</tr>
<tr>
<td>50 – 75</td>
<td>141 (50.66)</td>
<td>111 (74.00)</td>
</tr>
<tr>
<td>75 – 100</td>
<td>40 (17.23)</td>
<td>15 (10.00)</td>
</tr>
<tr>
<td>Total</td>
<td>225 (50.00)</td>
<td>150 (33.33)</td>
</tr>
</tbody>
</table>

**Source:** Primary data

Figures in parentheses denote percentages to total

Table 5.13 clearly shows that in total, a maximum of 74 per cent of the respondents had OSI of 50-75 per cent, 32.11 per cent of the respondents had OSI of 25-50 and 17.23 per cent of the respondents had OSI of 75-100 per cent. The number of respondents of employees having OSI of 50-75 per cent constituted 50.66 per cent of its total; whereas businessmen type of respondents having OSI of 50-75 per cent constituted 74 per cent. In case of other type of respondents having OSI of 50-75 per cent constituted 66.67 per cent of its total. At the same time employees type of respondent had OSI of 25-50 per cent constituted 32.11 per cent to its total and the businessmen type of respondents having OSI of 25-50 per cent constituted 16 per cent. In the case of other type of respondents it was 20 per cent. Regarding respondents with 75-100 per cent of the OSI, respondents of employees type constituted 17.23 per cent, respondents of employees and others constituted 10 per cent and 13.33 per cent respectively. From the foregoing analysis, it may be inferred that 67.12 per cent of the respondents come under 50-75 per cent of the OSI. It implies that overall banking services rendered to the customers in the study...
area is satisfactory and there is a good scope for further development of customers’ perception in the study area.

5.10 SUMMARY

The variables relating to perception towards the selected services like ‘technology innovation services’, ‘car loan services’, ‘physical facilities available’, ‘ATM services’, ‘charges on financial services’, ‘safe custody deposits services,’ were analyzed in order to reveal the significant differences among the respondents of the three categories regarding their perception towards the services rendered to its customers. On analysis it was found that the perception of respondents, the employees were poor towards technology innovation services than the businessmen and other type of respondents. Regarding car loan services and physical facilities available, businessmen had poor attitude and employees and other type of respondents had better attitude. On the other hand employees had poor attitude towards the services like ATM, charges on financial services and safe custody deposit services and better attitude by the businessmen and other type of respondents.
REFERENCES


