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CHAPTER – VI
SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 INTRODUCTION

Today, most of the commercial banks are using computers for their banking operations. The information systems are required to be restricted with regard to their contents for housekeeping, operational controls and policy formulations, but also the methods of data capture at the branch level and their subsequent transmission through different tiers of the banking system are required to be modernized. Computerization is one of the means to improve the customer service and efficiency in a competitive environment of highly computerized financial institutions. Automation has been found to be improving quality, reliability and productivity in business dealings and enhance their ability for quick response. Computers help in saving time in almost every activity. Computerization has to be recognized as an indispensable tool for improvement.

The technological evolution of the Indian banking industry has been largely directed by the various committees set up by the RBI and the Government of India to review the implementation of technological change. Technology based services have provided various benefits to the bankers as well as customers. It is easier now-a-days for customers to do most of their transactions without going to the bank itself or approaching the employees of the bank. This is possible with the advent of Electronic Banking. Customers today are computer - savvy more demanding and time conscious. The evolution of banking technology has been mainly driven by changes in distribution channels as Automated Teller Machine (ATM), phone-banking, tele-banking, pc-banking and most recently internet banking, etc. In the traditional banking system a person had to go to a bank branch to deposit or withdraw money
and get a bank statement book manually updated by a teller over the counter. With
the introduction of computer networks, a networked printing machine started
replacing the manual update of statements. Then ATMs were introduced to facilitate
withdrawals, deposits and even transfers accommodating mobility in much wider
geographical areas. However, one of the most substantial changes in banking
technology is the recent introduction of internet banking.

They demand global standard of services and make comparison and they expect
to be empowered through self service channel. So the Banks are compelled to
computerize their branches. This necessitates a systematic investigation into the issues
relating to computerization of banking industry in Thoothukudi district. The banks in
Thoothukudi district are also working hard with a maze of problems related to manual
work. So the researcher opted to study the extent of impact of technology based
services in commercial Banks in Thoothukudi district. The technology based service
and their relations with demographic and other variables are studied.

The study is based on both primary and secondary data. The primary data were
collected from 9 commercial banks functioning in the study district i.e five customers
from each bank were selected by using snowball sampling technique and managers of
all 135 banks were selected for the study in Thoothukudi district through interview
schedule for customers and questionnaire for Manager. Secondary data were collected
from books, journals and websites. The main objective of the study are: to examine
the growth and development of information technology based services of Indian
banks; to analyse the socio - economic profile of the respondents and their opinion
about e-banking services and satisfaction towards technology based services of
commercial banks; to analyse the opinion of the managers of the commercial banks
about the adoption of technology - based services and e-CRM in their banks and to
offer suitable suggestions for the adoption of technology-based services than the existing level based on the findings of the study. The hypotheses framed are: There is no significant association between the socio-economic profile of the respondents and their satisfaction towards technology based services; There is no significant association between the socio-economic profile of the respondents and their opinion about various dimensions of technology based services of commercial bank; There is no significant association between the experience of the managers, bank details and their opinion about adoption of technology based services; There is no significant association between the experience of the managers, bank details and their opinion about adoption of e-CRM.; There is no correlation between the various dimensions of technology based services; There is no correlation between the various dimensions of adoption technology based services and e-CRM. The collected information are analysed by using various tools such as Independent sample t-test, ANOVA-One way and Scheffes test, MANOVA, Chi square test, Correlation and Discriminant analysis. The collected data are organized into six chapters. The findings are summarized hereunder.

6.2 FINDINGS OF THE STUDY

The following are the major findings of the study.

6.2.1 Socio-economic profile of the respondents and their attitude towards technology based services of commercial banks

The attitude of customers towards technology based services is different from client to client and it may be influenced by a number of factors. It is observed that 70.50 percent of the respondents are male. It is noted that 43.60 percent of the respondents are in the age group of 21-30 years. The researcher has brought out the
educational qualification of the customers. This analysis has revealed that 42.80 percent of the customers are graduates. The occupational details of the respondents have revealed that exactly 54.30 percent of the customers are private concern employees. The analysis has further brought out that 36.30 percent of the respondents belong to the income group of Rs.10001 – Rs.20000 per month. It is interesting to note that 56 percent of the respondents have their accounts with public sector banks for the period of 3-6 years.

The type of accounts held by the respondents is also observed. Nearly 65 percent of the customers are operating savings bank account. It is analysed that 81.10 percent of the customers have open account in the bank out of their own interest. The investigation has further focused that 30.50 percent of the respondents utilize the bank services only for the purpose of saving. It is found that 64.10 percent of the respondents are using debit card for their banking operations in the study area. An examination regarding the details of using plastic card holders highlights that 54.20 percent of the respondents are using the plastic card for easy purchase of things. It is noted that 69.80 percent of the customers are using the plastic card frequently.

The study on familiarity of customers towards electronic services offered by the banks brought out that only 57.90 percent of the respondents are using ATM and internet banking services extended by banks. The researcher has brought to the clear exposure that 65 percent of the respondents are using e-banking services for availing the benefit of getting statement of account and balance details in time. Nearly 58.70 percent of the respondents are highly satisfied towards the technology based services of commercial banks in the study area.
6.2.2 Satisfaction towards Service Quality of Technology Based Services

In this part, an attempt is made to analyse the overall satisfaction of the respondents towards technology based services and opinion of the respondents about the variables like Accessibility, Reliability, Efficiency, Awareness, Innovation, Trust and Loyalty, Security and Privacy. To know the satisfaction of the respondents towards the technology based services of commercial banks study has been made with 10 statements using five point scaling technique. The responses are coded as 5 points for very high, 4 points for high, 3 points for no opinion, 2 points for low and 1 point for very low responses. The responses for the ten statements are consolidated for all 675 respondents and the total score is divided as per the points allocation. Based on the scores, the satisfaction of the respondents towards the technology based services of commercial banks is measured and it is found that out of 675 respondents 25.80 percent of the respondents have very high satisfaction towards the technology based services of commercial banks, 58.70 percent of the respondents have high level of satisfaction, 14.50 percent of the respondents have medium level of satisfaction and the remaining 1.00 percent of the respondents have low level of satisfaction towards the technology based services. It is found that 58.70 percent of the respondents have high level of satisfaction towards the technology based services of commercial banks in the study area.

6.2.3 Opinion about variables of service quality of technology based services

The researcher has made an attempt to measure the opinion of the respondents towards the service quality of technology based services of commercial banks using seven independent variables namely accessibility, reliability, efficiency, awareness, innovation, trust and loyalty and security and privacy. Each variable is measured by using six statements using five point scaling technique. Based on the scores, the
responses are consolidated and divided as per the points and it is found that most of the respondents (69.30%) agreed with the accessibility factor of the technology based services. It is noted that 8.40 percent of the respondents agreed with the reliability factor of the technology based services. Most of the respondents (47.00%) agreed with the efficiency factor of the technology based services. It is noted that most of the respondents (46.70 %) agreed with the awareness factor of the technology based services i.e., the customers are having required level of awareness about the technology based services in the study area. It is noted that most of the respondents (51.70 %) agreed with the innovation factor of the technology based services. Most of the respondents (43.30%) strongly agreed with the innovation factor of the technology based services. It is found that most of the respondents (51.30 %) strongly agreed with the innovation factor of the technology based services.

6.2.4 Problems faced by the respondents towards technology based services - Garret Ranking analysis

The researcher has made an attempt to analyse the problems faced by the respondents towards the technology based services of commercial banks. The respondents are asked to rank the problems related to the technology based services. It is found that the first rank is given to the problem of “No human Touch”, second rank goes to “Risk and Security”, third rank for the “Technology knowhow”, fourth rank for the problem of “Unauthorized transfer” and fifth rank goes to “Difficult to use”.

The banks should act efficiently to overcome the above mentioned problem.

6.2.5 Association between the socio-economic profile of the respondents and their opinion about service quality of technology based services of commercial banks

The respondents differ significantly in their opinion about trust and loyalty of the commercial banks in the study area when they are classified based on their gender.
It is concluded that there is a significant association between age of the respondents and their opinion about service quality of technology based services of commercial banks. That is, the respondents differ significantly in their opinion about service quality of technology based services of commercial banks when they are classified based on their age. Hence it is inferred that the opinion about service quality of technology based services of commercial banks differ among the different age groups of the customers in the study area.

6.2.6 Analysis of association between age and opinion about service quality of technology based services of commercial banks – Multiple comparisons - *Scheffe Test*

To know which age groups of the respondents differ in their opinion about technology based services of commercial banks, the researcher has made an analysis using *Scheffe test of ANOVA*. This test made multiple comparisons between the different age group of the respondents and it is found that the significant value for the age group pairs of 41-50 years and age group of 21-30 years ($p = 0.011$), age group of 31-40 years ($p = 0.013$) and for the age group of above 50 years ($p=0.004$) is less than the acceptance level of 0.05 for reliability factor. It is concluded that these pairs of age groups of the respondents differ in their opinion about trust and loyalty factor of the technology based services of commercial banks. For security and privacy factor the age group pairs of above 50 years and 31-40 years and for the age group of 41-50 years is varied i.e., $p$ value is less than the acceptance level of 0.05 for these two comparisons ($p = 0.001$) and ($p = 0.015$) . Hence the commercial banks in the study area may consider these age groups of the customers for the relevant factors while providing technology based services. It is concluded that there is a significant association between educational qualification of the respondents and their opinion
about service quality of technology based services of commercial banks. It is concluded that there is a significant impact of selected socio-economic and bank variables on the satisfaction towards technology based services of commercial banks.

To test the association between intersections of occupation, monthly income and type of bank of the respondents and their opinion about service quality of technology based services, MANOVA test is applied and it is found that the respondents’ opinion about service quality of technology based services is not varied for the satisfaction factor among the eight variables i.e., the $p$ value is more than the acceptance level of 0.05. But the opinion of the respondents about service quality of technology based services for the remaining seven variables namely accessibility ($p=0.000$), reliability ($p=0.000$), efficiency ($p=0.000$), Awareness ($p=0.000$), Innovation ($p=0.000$), Trust and Loyalty ($p=0.000$) and Security and Privacy ($p=0.000$) is varied when the respondents are classified based on their occupation, monthly income and type of bank i.e., the $p$ value is less than the acceptance level of 0.05. Hence the null hypothesis is rejected and it is concluded that there is a significant association between the intersection of occupation, monthly income and type of bank of the respondents and their opinion about technology based services of the selected commercial banks in the study area.

6.2.7 Efficiency of the technology based services - Discriminant analysis

To know the independent variables which differentiate the opinion of the customers about the efficiency of the technology based services of commercial banks into two categories the Discriminant Functional Analysis has been used. It is found that the three groups of opinion about efficiency of technology based services of
commercial banks are classified well, using Discriminant Function Analysis i.e., 74.50 percent of original grouped cases correctly classified. It is inferred that out of 18 independent variables 8 variables are discriminating the opinion of the selected respondents about the efficiency of technology based services of commercial banks in the study area. It is inferred that the Gender, Educational qualification, Occupation, Level of information technology in the bank, Reasons for using plastic card, Frequency of using plastic card, Type of e-banking services availed and satisfaction towards technology based services are discriminating the opinion of the efficiency of technology based services of commercial banks. It is understood that the efficiency of the technology based services of commercial banks is not measured by the variables namely age, monthly income, type of bank, experience as customer, type of account, source of inspiration, reasons for utilising services of bank, usage of plastic card, type of plastic card, and benefit of using e-banking services.

6.2.8 Managers attitude towards technology based services of commercial banks

In this part an attempt is made to analyse the independent variables like experience, type of technology based services offered, promotional measures, motivation of customers, retention of customers and evaluation of customers. It is found that most of the respondents (46.70 %) have above 20 years of experience as manager. It is found that most of the commercial banks (45.20 %) are providing home banking services to their customers then the regular services, like ATM, internet banking, SMS, plastic card services and any branch banking. It is found that most of the respondents (65.90 %) are using television and radio for their promotional measures of technology based services in the study area. It is found that most of the respondents (65.20 %) use reminder system through e-mail for motivating their
customers for the use of technology based services in the study area. It is found that out of 135 respondents 69.60 percent of the respondents contact with their old customers to retain them for their banking business in the study area. It is found that most of the respondents (31.90 %) assess their profitable customers manually in the study area. It is found that most of the respondents (40.00 %) use call centre automation technology for customer interaction in the study area.

6.2.9 Reasons for adopting technology based services

In this part an attempt is made to analyse the managers of the selected commercial banks to give their opinion about reasons for adopting technology based services in their banks and variables namely bank mechanization, electronic payment system, growth and development, benefits and efficiency the details are studied and it is found that most of the respondents (84.40 %) strongly agreed that the technology based services are used for their bank mechanization. It is found that most of the respondents (87.40 %) strongly agreed that the technology based services are used for the electronic based payment system. It is found that most of the respondents (85.20 %) strongly agreed that the technology based services are used for the security measures of the bank transactions. It is found that most of the respondents (76.30 %) strongly agreed that the technology based services are used for the growth and development of the bank. It is found that most of the respondents (90.40 %) strongly agreed that the technology based services are used for the enjoying benefit of the technology. It is found that most of the respondents (80.70 %) strongly agreed that the technology based services are used for increasing the efficiency of the bank.
6.2.10 Opinion of the manager towards adoption of e-CRM

In this part an attempt is made to analyse the managers of the selected commercial banks to give their opinion about adoption of e-CRM in their banks and variables namely Use of technology, Corporate Strategy, Organizational Culture and Service Quality. It is found that most of the respondents (74.10 %) strongly agreed that the technology based services are used for adoption of e-CRM in the study area. It is found that most of the respondents (73.30 %) strongly agreed that the corporate strategy is used for adoption of e-CRM in their banks in the study area. It is found that most of the respondents (79.20 %) are strongly agreed that the organisational culture is the base for adoption of e-CRM in their banks in the study area. It is found that most of the respondents (72.60 %) strongly agreed that the service quality is the base for the adoption of e-CRM in the study area.

6.3 SUGGESTIONS

The researcher has offered the following suggestions based on the above findings.

1. It is found that the customers of both public and private sector banks are not aware of innovations while providing technology based services to their customers. Hence it is suggested that the banks should create awareness about its technology based services. The customers lack knowledge about innovative schemes offered by banks. It would be worthwhile for banks to constantly update their own systems and provide the customers with latest information by the way of organizing workshops, seminars, free online demos and online help desk. The banks should focus more attention on that issue. The new techniques adopted by the banks like i-Mobile banking, Internet banking, SMS banking, Electronic Fund Transfer, kiosk, automatic passbook printing are in the initial stage only. So the banks should emphasize more on popularizing technology based services by
customers which results into improvement in customer satisfaction and also cost reduction.

2. In the study area, the banks ought to offer equal level of technology based services to their customers without discriminating them based on the purpose of using plastic card. It is suggested that the plastic cards are being widely used by the people as they provide a convenient form of making payments for goods and services without the use of cheques and cash. Issue of credit cards has been exhibiting a phenomenal growth in the recent years. The bank should provide sufficient card based services to the rural people. The customers can utilize the card based services for easy access.

3. The banks have to consider the customer retention factor for providing the electronic payment system to their customers. Hence it is suggested that the e-payment system requires some changes in order to increase the efficiency in the implementation of multiple e-payment systems like ECS, MICR, RTGS, EFT and NEFT. But their contribution to overall payment system has not been quite high. So initiatives should be taken to increase the share of all the modes of e-payment system. To increase the usage of e-payment modes banks should reduce the fees charged on clearances and interbank fund transfer services. The bank should provide social security for online payments to the online customers through their bank networks.

4. It is found from the study that the banks are using different types of technology based services for their customer interaction. It also encourages their customers for the utilization of technology based services to improve the organizational culture. Hence it is suggested that the banks should encourage the customers who access the online transaction by way of proper training and providing sufficient
online services with user friendly. The banks should provide adequate information about adopting new technology based changes and relax the online procedures of technology based services to the online users.

5. The banks should provide more security in their technology based services and yield benefit from such services. Hence it is suggested that the banks should provide social security for online payments of the customers through their bank networks. The banks should also improve the connectivity problems in order to satisfy the online users. Card based transactions are increasing continuously but the banks do not provide any guarantee and proper instructions to the customer in connection with usage of cards. Since there are so many complaints like password hacking, non-functioning of ATMs, lack of networking facilities, large amount of card based charges, the banks should enhance the quality and security of card based transactions.

6. The banks should concentrate more on corporate strategy factor to increase the service quality of the technology based services for the adoption of e-CRM in their banks. It is suggested that the banks must provide individualized attention to the online users and the banks should focus on making web sites portal user-friendly so that the customers can get all information without any hesitation. Further the language of website portal should be clear and simple for easy accessing. Required information should be given on the main page itself rather than in the links. The bank should address the online users’ grievances promptly by establishing online customer care service centre. Implementing e-CRM facilitates the bank to compete in such a changing and competitive environment. As the customers are the most powerful tool as well as the assets of a bank, they
should satisfy the requirements of customers in all ways related to E-CRM facility to sustain their services in the recent competitive scenario.

6.4 CONCLUSION

Technology based services have definite positive impact on the customers. Commercial banks recognize that technology based services of banks are indispensable tools for improvement of customer service, institution and operation of better control system, greater efficiency in information technology and betterment of the work environment for employees. In Thoothukudi district, both public and private sector banks are providing technology based services to their customers. Encashment through e-commerce, e-banking, Internet banking, etc are smartly done by banks with the aid of technology. But the electronic services like iMobile banking, e-payments, e-cheque, kiosk, automatic passbook printing, e-CRM are to be strengthened by the bankers effectively. In this 21st century, we have to play a positive role by using latest technologies for sound management and growth in the banking sector.

6.5 SCOPE FOR FURTHER RESEARCH

The following are the areas identified by the researcher for future research.

1) Analysis of customers’ attitude towards technology based services of old and new private sector banks – A comparative study.

2) Analysis of customers’ attitude towards technology based services offered by groups of State Bank of India and other public sector banks – A comparative study.