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A STUDY OF CUSTOMERS' ACUITY TOWARDS THE BANKING SERVICES PROVIDED BY CO-OPERATIVE BANKS

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Abstract:-A customer chooses his Bank not merely on economic or psychological considerations, but also due to influences through 'word of mouth' by his own circle of friends and associates. It is, therefore, advisable for Co-operative Banks to work on their present clients to secure new ones through personal recommendations. It should be the constant endeavor of the Banks to study the needs of the population in their areas and devise appropriate schemes to cater to them. They have to be courteous and appreciative of customers' aspirations and view-points. They have to build-up goodwill and create utility for the services provided by the Banks. In short, there is need for a humanized Banking system. The services rendered by the Bank in multiplicity of ways have direct or indirect impact on the procurement of funds and their utilization. This paper has made concern to evaluate the Banking services provided by Co-operative Banks, from the point of view of customers' utility elevation.

Keywords: Psychological, Customers', Banking services, Utility, Satisfaction.

INTRODUCTION

Although Socio-Psychological Needs of a borrowers and depositors are not linked to the survival of the customer's physical being, but their deprivation may seriously affect his utility feel for banking services. If the needs like; the desire for recognition and social affiliation, need for security, need for mutual trust, need for information, need for prompt service, customers satisfaction through trained Bank staff are met properly the utility of the Banking services may be elevated.

In the modern marketing, customer satisfaction can be taken as the strongest foundation laid down for the success of an organization. An organization will not be able to survive in the long run if its customers are continuously feeling dissatisfaction. The customer is very important component in the total marketing system of the Bank-Services too. It is necessary to take his proper care; otherwise he will stop to hold savings in the Bank.

Customer satisfaction is very important aspect in the case of enterprise dealing with the marketing of services. The co-operative Banking system is one of the service organizations which are operating in every city. A Banking institution is indispensable in a modern society. It plays pivotal role in the economic development and forms the core of the money market in a country. The Banks open various types of deposit accounts and render various services to the depositors and borrowers such a collection of cheques, demand drafts, bills of exchange, promissory notes etc. Besides this Banks also provide various kinds of ancillary services. Therefore, it is pertinent to understand what benefits and satisfaction the customer is seeking from the Banking services. The marketing of services can be hit upon only if there is a match between the service product from the customers' view point and suppliers' view point. In the forthcoming text of the paper an attempt has been made to appraise the customer satisfaction from the diverse angles professed by the account holders of Co-operative Banks.

OBJECTIVES:

1. To study customers' acuity towards the Banking Services.
2. To put forward few suggestions to increase the utility for Banking Services.

RESEARCH METHODOLOGY:

The paper generally stands on primary data and some observations for the recognition of the issues and for this

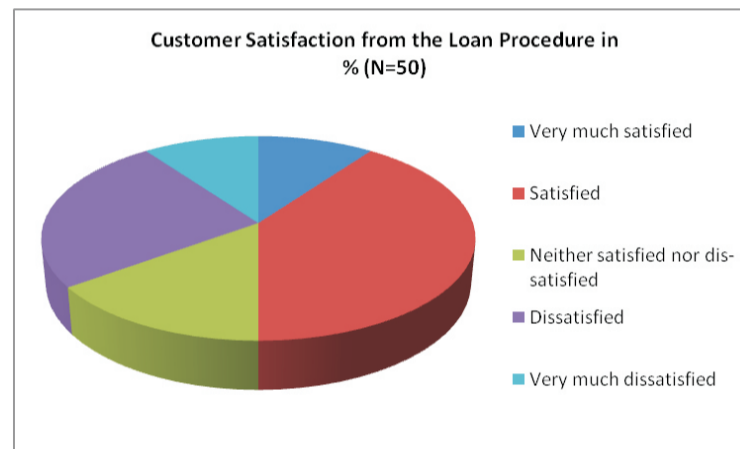
purpose various articles, journals and reports were reviewed.

To Study of Customers' acuity towards the Banking Services a survey of banking customers was done .The total number of customers selected under convenience sampling method was being 50 from the selected five Co-operative Banks @ 10 customers per Bank

Table No. 1
Customer Satisfaction from the Loan Procedure (N=50)

Sr. No.	Level of Satisfaction	% of Respondents (N=50)
1.	Very much satisfied	25
2.	Satisfied	30
3.	Neither satisfied nor dis-satisfied	10
4.	Dissatisfied	20
5.	Very much dissatisfied	15
	Total	100

Source: Field Survey



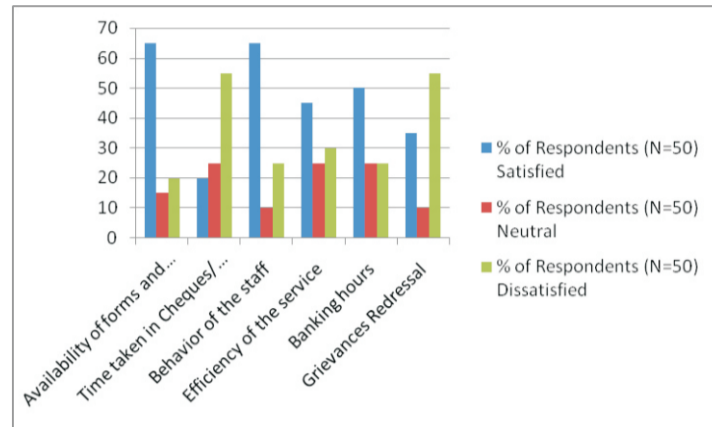
The Table No. 1 shows the responses regarding the satisfaction level of the customers from the loan disbursement procedure of the Bank.

The above table reveals that 55% of the respondents were satisfied from the loan procedure, while 10% were uncertain and 35% were not satisfied.

Table No. 2
Customer Satisfaction from the Service Delivery System

	Attribute	% of Respondents (N=50)		
		Satisfied	Neutral	Dissatisfied
(a)	Availability of forms and pay-in-slips	65	15	20
(b)	Time taken in Cheques/ draft clearance	20	25	55
(c)	Behavior of the staff	65	10	25
(d)	Efficiency of the service	45	25	30
(e)	Banking hours	50	25	25
(f)	Grievances Redressal	35	10	55

Source: Field Survey



SATISFACTION FROM THE SERVICE DELIVERY SYSTEM:-

The people and physical evidence are considered as two main elements of the service delivery system. In a Banks', the cheque or withdrawal slip and the clerk constitute the delivery system. The respondents were asked about their satisfaction regarding the various elements of the service delivery system. The responses with this respect are presented in Table No. 2. The above table depicts that majority of the respondents are satisfied with “availability of forms and pay-in-slips 65%”, “behavior of the staff 65%”, “Banking hours 55%” and “efficiency of the service 45%”. While most of the respondents are either neutral or dissatisfied regarding “time taken in cheques/draft clearance 80%” and “grievances Redressal 65%”.

Table No. 3
Transactional Difficulties Experienced at most By the Customers Surveyed (N=50)

Sr. No.	Particulars	Total	%
1	In Deposit	4	08
2	Withdrawal	6	12
3	In general Banking Services	3	06
4	In borrowing	5	10
5	Understanding Net /telephone Banking	28	56
6	None	4	8
	TOTAL	50	100

Source: Field Survey

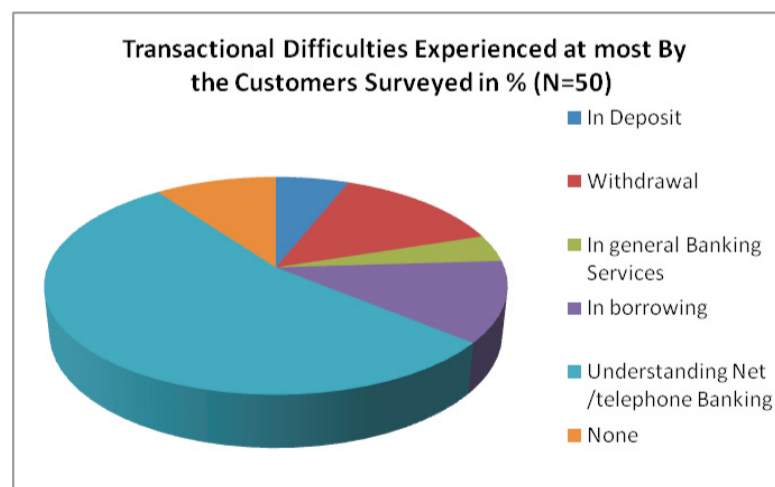
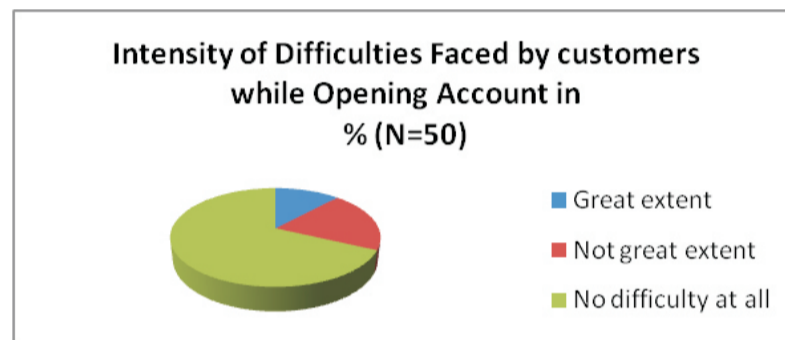


Table No.3 shows the difficulties faced by the customers in dealing with bank. Only 8% customers have no difficulty towards banking transactions while 56% are ignorant to net /telephone Banking. 6 % customers are facing difficulties in general banking, 8 % in deposit; 12 % in withdrawal and 10 % customers have difficulties in borrowings.

Table No. 4
Intensity of Difficulties Faced while Opening Account (N=50)

Sr. No.	Extent of Difficulty	Total	% of Respondents (N=50)
1.	Very great extent		--
2.	Great extent	06	15
3.	Not great extent	10	25
4.	No difficulty at all	34	60
5.	Total	50	100

Source: Field Survey

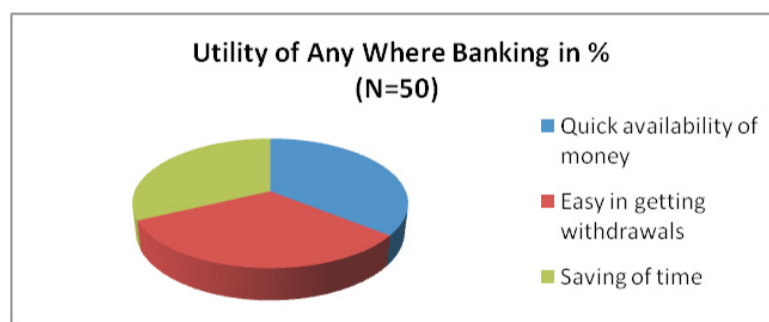


The table shows that the majority of the respondents 60% did not face any difficulty in opening a Bank account. However, the left over 40% respondents have faced some sort of difficulty while opening an account.

Table No.5
Utility of Any Where Banking (N=50)

Sr. No.	Particulars	Frequency	%
1	Quick availability of money	49	98
2	Easy in getting withdrawals	44	88
3	Saving of time	44	88

Source: Field Survey



98 respondents experience utility feel about Any Where Banking for the reasons like Quick availability of money while 88% are satisfied as it is advantageous in Easy withdrawals and saving of time.

Table No.6
Expectations of the Customers from the Bank (N=50)

Sr. No.	Particulars	Frequency	%
1	Quick and efficient service	42	84
2	Polite personal service	27	54
3	More rate of interest on Deposits	20	40
4	Granting loan with less delays	10	20
5	Bill payment Facilities	11	22
6	Attractive and comfortable Ambiance	17	34
7	E-Banking facility	15	30

Source: Field Survey

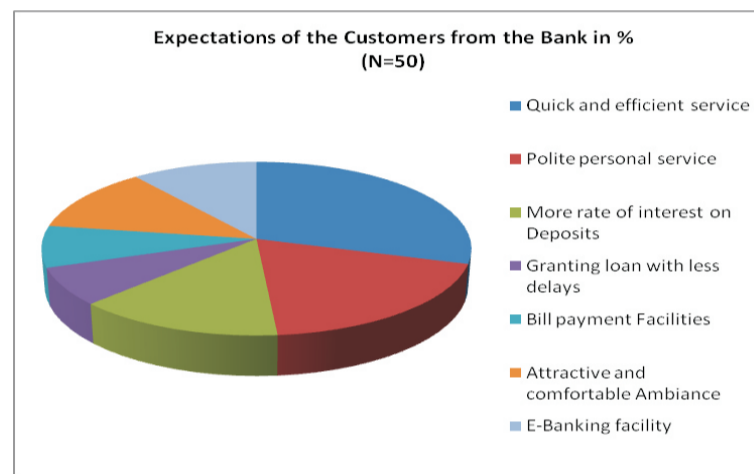


Table No. 6 indicates expectations of customer from bank, 84 % customers are expecting quick and efficient service. 54 % customers are expecting polite personal service. 40 % customers are in the expectation of more rate of interest on investments. 20 % are in the expectation of granting loan with fewer delays. 22% insist bill payment while 34% insists Attractive and comfortable Ambiance, and 30% customers expect E-Banking facility. If all these expectations of customers are taken care of, by the Bank, utility feel of the customers will be definitely on rise.

Table No.7
General Opinions of the Customers about Banking Services (N=50)

Sr. No.	Particulars	Total	%
1	Outstanding	16	32
2	Good	32	64
3	Average or Poor	2	04
4	Total	50	100

Source: Field Survey

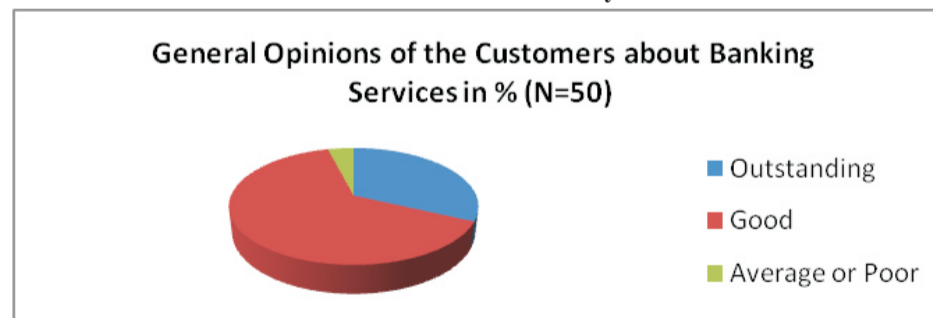


Table No.7 exhibits the general opinion of customers about banking service. Majority of the customers i.e. 64 % feel that Banking services are "Good", 32 % customers feel that it "Outstanding" and 04 % feel that it is "Average or poor".

Table No.8
Customers' Opinions regarding various Amenities Provided by the Bank

	Amenities	% of Respondents (N=50)			
		Excellent	Good	Poor	Not in Existence
(a)	Location of the bank	25	50	20	5
(b)	Sitting Arrangement	40	25	10	25
(c)	Drinking water and toilet	20	40	20	20
(d)	Lighting and air conditioning	20	20	40	20
(e)	Parking facilities	15	20	30	35

Source: Field Survey

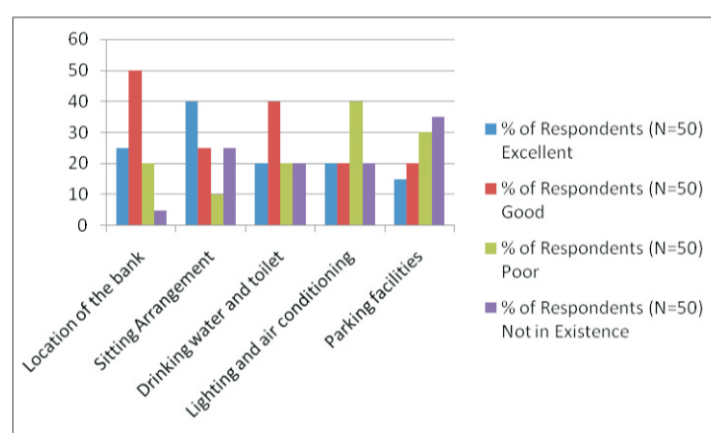


Table No.8 gives the responses regarding the different amenities provided by the Co-operative Banks.

The table indicates that the majority of the respondents view that amenities, such as Location of Bank (75%), Sitting arrangement (65%), and Drinking water and toilet (60%), provided by the Bank are "Excellent" or "Good". However, most of the respondents are not satisfied with the amenities like lighting and air conditioning (60%) and parking facilities (65%) as they mentioned these facilities are "Non-Existence" or "Poor". Surprisingly, many respondents, though the facilities / amenities are provided by the Bank, are not ready to accept their existence, because they think that facilities are provided for the staff and not for the customers.

Table No. 9
Utility of Teller System (N=50)

Sr. No.	Particulars	Frequency	%
1	Quick availability of money	30	60
2	Easy in getting withdrawals	35	70
3	Saving of time	40	80

Source: Field Survey

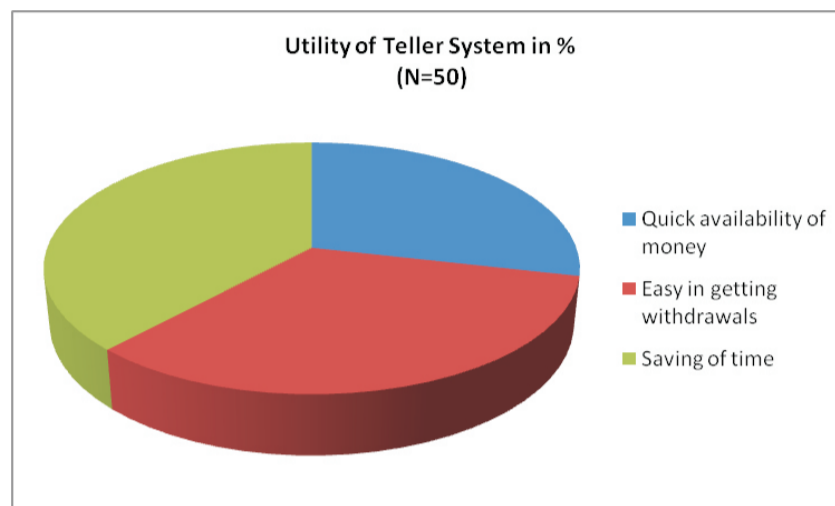
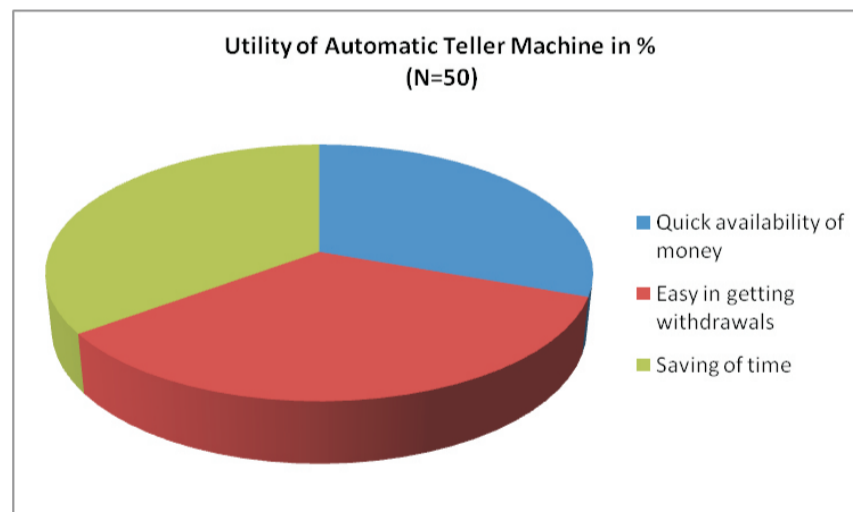


Table No. 9 shows that Teller system is beneficial to customers. Out of these 50 respondents 80% customers are satisfied about saving of time, 70% for easy withdrawals and 60 % customers are in favor of teller system about quick availability of money

Table No. 10
Utility of Automatic Teller Machine (N=50)

Sr. No.	Particulars	Frequency	%
1	Quick availability of money	40	80
2	Easy in getting withdrawals	45	90
3	Saving of time	46	92

Source: Field Survey



It is observed from the above table that, 92% customers are satisfied about saving of time, 80 % with quick availability of money and 90 % feel that advantage of Automatic Teller Machine is easy in getting withdrawals.

FINDINGS AND SUGGESTIONS:

1. The respondents, who stated that they are dissatisfied from the loan procedure, have mentioned "Complicated Procedure", "High Security", "Time consuming Procedure" as the main reasons for their dissatisfaction. The Co-operative Banks should

overcome these difficulties in order to increase profitability.

2. Transactional Difficulties are experienced at most by the Customers in relation to Understanding Net /telephone Banking. Banks needs to remove these difficulties, for that, it may conduct the capsule Banking literacy courses for the use of ignorant customers or even for general public to turn them customers.

3. The utility of Teller system and Automatic Teller Machine is only due to Quick availability of money, Easy in getting withdrawals and saving of time. The Co-operative Banks should retain this to prolong utility for its services.

Limitations/Scope for future work:

The research paper is limited to a Study of Customers' acuity towards the Banking Services provided by Co-operative Banks, but it opens the scope for other researchers to do the study based on verdict of the paper or research on elucidation to eliminate the problems faced by customers and suggests ways to make banks Co-operative Banks more functional.

CONCLUSION

Majority of the customers feel that Banking services are "Good", and maximum Customers are expecting quick and efficient service, therefore the Co-operative Banks should always strive to augment and maintain the echelon of service provided by it in order to amplify the utility feel among customers. The majority of the respondents are satisfied with availability of forms and pay-in-slips, behavior of the staff, Banking hours" and efficiency of the service. Customers' have mixed Opinions regarding various Amenities provided by the Banks. The respondents, who stated that they had faced some difficulty in opening account, were asked about the nature of difficulty. It was found that the type of difficulties faced by these respondents include Non-availability of account opening application, Complex details asked in the account opening form, Insistence on address proof/ introducer's verification and Non-cooperation of the Bank staff. In fact there is no meaning to these difficulties since they can be minimized if the Bank staff would take an interest in the matter. The Bank staff should be trained in this respect for more utility.

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