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THE STRIKING INFLUENCE OF ATM SERVICES IN CORPORATION BANK IN MYSORE CITY

Mrs. Geetha S¹ and Dr. C S Ramanarayanan²

¹Research Scholar , Manasa Gangothri University of Mysore , Mysore, Karnataka.

²Retired Principal, Professor of Commerce ,
And Research Guide University Evening College , Mysore, Karnataka.



from cash transactions to cheque and now to plastic cards to comply with changing customer needs. Current and Saving bank account holders of a bank maintaining certain minimum balance are issued with an ATM card. It is a plastic card having a magnetic strip with the account number of the person. The ATM also offered a series of banking services such as depositing cash, withdraw cash, request of cheque book, paying utility bills, transfer of funds, credit card payments, balance enquiry, opening account and change password. The ATM facility is available round the clock. HSBC bank was the first bank in India to offer ATM facility in 1987.

Automated Teller Machines (ATMs) have gained prominence as a delivery channel for banking transactions in India. As Banks have installed ATMs to increase their reach more people are now moving towards using the ATM for their banking needs. According to a survey by Banknet, in India 95% people

ABSTRACT

ATM is one of the most important Core Banking Systems as it enables customers to do 'Anywhere, Anytime banking'. ATMs offer the convenience of multiple locations. An ATM card is protected by a PIN, keeping one's money safe. ATMs are faster than going to the bank. Thus ATM impacts Core Banking System leading to customer satisfaction. The purpose of this paper is to measure customer satisfaction towards use of ATM services offered by some of the branches of Corporation bank in Mysore city since the time of introduction of Core Banking System.

Core Banking Services are ATMs, Internet Banking, Mobile Banking and Phone Banking. These banking services offer customers convenience, anywhere and anytime banking. A structured questionnaire was used to collect data from a sample size of 180 customers of some of the branches of Corporation bank in Mysore City. The collected data from the sample was analyzed by using SPSS.

KEYWORDS: Corporation Bank, Customer satisfaction, Customer preference, ATM.

INTRODUCTION: Indian banking system has evolved

now prefer this modern channel to the traditional mode of banking. Almost 60% people use an ATM at least once a week. Increased ATM usage is also helped by the fact that customers have now the flexibility of using ATMs of other banks, as most of the banks are part of major interbank networks like National Financial Switch (NFS), MitR, BANCS, Cash tree and Cash net. The interbank networks have brought together ATMs of several banks so that customers gain access to any of the participating banks' ATMs. Now all the banks offer ATM facilities. In an ATM services are available round the clock and no employee interface is required.

ATMs are now seen to be more than mere cash dispensing machines. Customers use ATMs to recharge their mobile phone prepaid connections, pay their utility bills and even mutual fund transactions-making them at par with flexibility given in internet banking.

REVIEW OF LITERATURE:

Sultan Singh, Komal (2009), in their article "Impact of ATM on customer satisfaction" researched about ATM facility provided by SBI, ICICI and HDFC Bank and the factors affecting the choice of ATM. ATMs are machines to provide electronic access to customers. ATMs facilitate variety of banking transactions for customers. They measured customer satisfaction through three variables such as reasonability of the fee charged, frequency with problems faced and the post purchase behaviour of customers.

Sachin Kumar (2011), in his article "India riding the ATM Wave" throws light on the popularity of ATM's in India today based on the data released by National Payments Corporation of India (NCPI). This enhanced popularity is due to the increase in the number of service offered by banks through ATM. The introduction of CBS has led to the fulfillment of these expectations through a Variety of services offered via ATM.

Pijush Chattopadhyay and Saralelimath (2012) in their paper "Customer preference towards use of ATM service in Pune city" presented the impact of customer satisfaction of ATM service. The study aimed at analyzing customer preferences towards use of ATM service of co-operative banks. Technology is not only advantageous to banks but also to other stakeholders such as employees and customers. Customers prefer ATM so as to save time and cost utility which provide efficient service. This study suggested banks take certain positive measures for improving the effectiveness of ATM's.

Srinivasa Rao, Rajasekar and VijayaRatnam (2013) in their article entitled "An Empirical Study of Customer's Satisfaction in ATM Service" about Customer Satisfaction in ATM Service, made recommendations to improve the service quality of the banks. They found that the needs and expectations of the customers demanded that ATM service of both Public Sector and Private Sector have to be modernised. Customers prefer convenience and comfort locations as this improves the Operational efficiency of banks in relation to satisfying customer needs.

OBJECTIVES OF THE STUDY:

The objectives of the study are as follows:-

1. To investigate the effectiveness of ATM services of Corporation Bank in Mysore City.
2. To identify the impact of ATM services offered by Corporation Bank in Mysore City.
3. To study the problems faced by customers while using ATM services offered by Corporation Bank in Mysore City
4. To investigate the association between age and preference in the use of ATM services of Corporation Bank in Mysore City.

SCOPE OF THE STUDY:

The present study focuses on awareness of ATM services offered by Corporation Bank in Mysore City. The study also covers the ATM services offered, its meaning, its features, its influence on customer satisfaction and its effectiveness and benefits to customers in this era. For the study 180 respondents were considered across Mysore city using Simple random sampling technique.

HYPOTHESES OF THE STUDY:

The hypotheses of the present study are:

1. Customers are aware of ATM services offered by Corporation Bank in Mysore city.

2. Customers face problems while using ATM services offered by Corporation Bank in Mysore city.

3. H_0 : There is no association between age and preference in using ATM.

H_1 : There is association between age and preference in using ATM.

RESEARCH METHODOLOGY:

The present study was based on both primary and secondary data. The primary data was collected by framing a structured questionnaire. The structured questionnaire on ATM was prepared personally and handed over to the respondents by the researcher to collect primary data.

In all 180 questionnaire were circulated and the response from the customers was tabulated to present this article. The 180 respondents were randomly selected. The secondary data is from the Internet, books, journals, research articles, news papers, bank web sites etc.

SAMPLE DESIGN:

The present study focuses on ATM services of Corporation Bank branches across Mysore city. For the study, the respondents were selected randomly using Simple random sampling technique.

STATISTICAL TOOLS AND TECHNIQUES:

The present study used the following statistical techniques for testing the hypotheses:

1. χ^2 test.
2. Frequency distribution.
3. Tables.
4. Charts.
5. Arithmetic mean was used.

The following table indicates the personal demography of the respondents. The respondents were divided on the basis of gender and age.

Part A
Gender of the respondent

Gender	No. of Respondents	Percentage
Male	113	62.78
Female	67	37.22
Total	180	100.00

Source: Primary data

Out of 180 respondents on the basis of gender, 62.78% are male and 37.22% are female. It clearly indicates that majority of the respondents are male.

Age of respondents

Age	No. of Respondents	Percentage
Below 25years	63	35.00
25-40	71	39.44
40-55	24	13.33
55 and above	22	12.23
Total	180	100.00

Source: Primary data

Out of 180 respondents, 35% are below 25years, 39.44% are in the age group of 25-40, 13.33% are in the age group of 40-55 and 12.23% are above 55. It clearly indicates majority of the respondents are in the age group of 25-40.

Preference of using ATM

Preferences	No. of Respondents	Percentage
Yes	148	82.22
No	32	17.78
Total	180	100.00

Source: Primary data

Out of 180 respondents, 148 respondents prefer using ATM, while 32 respondents did not prefer the use of ATM banking. It clearly indicates that majority of the respondents prefer to use ATM.

Necessity of ATM

Necessity	No. of Respondents	Percentage
Essential	164	91.11
Not essential	16	8.89
Total	180	100.00

Source: Primary data

Out of 180 respondents 91.11% felt that ATM was essential and 8.89% felt that it was not essential.

Periodicity of Usage of ATM by Respondents

Usage	No. of Respondents	Percentage
Daily	19	10.56
Weekly	47	26.11
Monthly	91	50.55
Once in 6 months	23	12.78
Total	180	100.00

Source: Primary data

Out of 180 respondents, 10.56% made use of ATMs daily, 26.11% used it weekly, 50.55% used it monthly and 12.78% used ATM once in 6months. It clearly indicates that majority of the respondents are monthly users.

Services of ATM used

ATM services	No. of Respondents	Percentage
Withdrawal of cash	173	96.11
Credit card payments	35	19.44
Transfer of funds	43	23.89
Checking account balance	85	47.22
Viewing transactions	155	86.11

Source: Primary data

Out of 180 respondents 96.11% respondents use ATM to primarily withdraw cash, 19.44% respondents to make credit card payments, 23.89% respondents to transfer funds, 47.22% to check account balance and 86.11% respondents used ATM to view transactions.

Problems faced by the respondents

ATM services	No. of Respondents	Percentage
Machine out of cash	126	70.00
Non printing of Statement	41	22.78
Account debited but cash not dispensed	59	32.78
Long waiting time in queues	72	40.00
Fewer number of ATM	86	47.78
Too much time for transactions	35	19.44

Inference:

Out of 180 respondents, 70% respondents faced the problem of the machine running out of cash; 22.78% respondents faced the problem of non-printing of statement, 32.78% respondents reported the problem of account debited but cash not dispensed, 40% respondents faced the problem of waiting for long time in queues and 47.78% respondents faced the problem of inadequate number of ATMs of Corporation Bank in Mysore city. 19.44% respondents faced the problem of spending too much time for transactions. It clearly indicates that the majority of the respondents faced the problem of machines running out of cash.

H_0 : There is no association between age and preference in using ATM.

H_1 : There is association between age and preference in using ATM.

Age and preference

Age	Yes	No	Total
Below 25years	59	4	63
25-40	63	8	71
40-55	19	5	24
55 and above	5	17	22
Total	146	34	180

Source: Primary data

$$X^2 = \sum \frac{(O-E)^2}{E}$$

Where

X^2 = Chi-square test

O = Observed frequency

E = Expected frequency

N = Number of classes

Showing the χ^2 value of the Corporation Bank customers

O	E	O-E	(O-E) ²	(O-E) ² /E
59	51.10	7.9	62.41	1.2213
63	57.59	5.41	29.27	0.5082
19	19.47	-0.47	0.22	0.0113
5	17.84	-12.84	164.87	9.2416
4	11.90	-7.90	62.41	5.2445
8	13.41	-5.41	29.27	2.1827
5	4.53	0.47	0.22	0.0485
17	4.16	12.84	164.86	39.6298
$\chi^2 = \sum (O-E)^2 / E$				58.0879

$$\begin{aligned} \text{Degree of freedom} &= (r-1)(c-1) \\ &= (4-1)(2-1) \\ &= (3)(1) \\ &= 3 \end{aligned}$$

The table value of χ^2 for 3 degree of freedom at 5% present level of significance is 7.815. The calculated value of χ^2 is 58.0879 which is higher than the table value, as such the null hypothesis is rejected, which clearly indicates that there is an association between age and preference in using ATM in Corporation Bank by the Mysore city customers.

MAJOR FINDINGS OF THE STUDY:

1. In this study concerning impact of ATM on Corporation Bank customers, 180 respondents were chosen of whom 62.78% were male and 37.22% female. This indicates that majority of the respondents were male.
2. The survey indicates that the respondents in the age group of 25-40 were benefited by the ATM services of Corporation Bank in Mysore city.
3. The study goes to indicate that the majority of the Corporation bank customers in Mysore city prefer to use ATMs.
4. The study also indicates that customers in Corporation bank prefer ATM services because a number of banking operations are made available in ATMs and any ATM anywhere in the world can be used to avail these facilities after the introduction of CBS.
5. In the present study some customers felt that there were instances of machines running out of cash, Long waiting time and fewer number of ATMs inconveniencing the customers. However such problems are solved by the banks which host the ATM.

CONCLUSIONS AND SUGGESTIONS:

The study is aimed to understand and comprehend the impact of ATM services of Corporation Bank branches in Mysore city. ATM services are successfully implemented by all the bank everywhere in the country and Corporation Bank is no exception to this. The study clearly indicates that customers prefer to use ATMs because of its ease of operations, convenience, timely response and cost effectiveness. As ATMs offer any time any where banking facility, customers are surely benefitted out of it. After the introductions of ATMs the operational efficiency of banks has certainly improved.

However a majority of the uneducated and the educated but computer illiterate customers do not evince interest in ATM because they do not find a helping hand in the premises of the ATM branches. Thus such customers prefer branch banking with the assistance of counter services. No doubt, ATMs have made a significant welcome change in the banking scenario of our country and certainly improved the efficiency of banking

operations. The ATMs have created awareness about the presence of the banking sector everywhere and any time banking to common man.

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