

## A study on customer awareness and satisfaction level towards self-service providing machines in selected banks (with special reference to Coimbatore city)

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### Abstract

Banking industry is fast growing with the use of technology. It provides so many self-services to the customers. In which Self-service providing machines like ATM, Cash Deposit Machine, Cheque Deposit Machine, Pass book Update Machine plays very important role in banking sector. This paper attempts to find out the Awareness and Satisfaction level of selected bank Customers using self Service Providing Machines in Coimbatore city. For this purpose primary data was collected from 300 respondents. Data was tabulated and analyzed with the help of statistical tools to achieve the objectives of the study.

**Keywords:** Self Service Providing Machine, Awareness, Satisfaction, Service quality

### Introduction

Customer services has come to occupy the center stage of operations in the banking industry in India. Self-service empowers people to do things on their own. The main advantage of using Self Service technology is to be able to conduct a business round the clock. Reducing cost and improving services are two primary reasons organizations are putting in self-service applications. Customer services has come to occupy the center stage of operations in the banking industry in India. Banks are trying to provide a variety of self-service channels such as ATM, Internet Banking, Mobile Banking etc. in order to increase customer convenience, reduce cost and maintain profitability. In the competition world, banking sector provides so many services to the customers to retain them.

### Self-service Providing Machines

#### 1. Automated Teller Machine (ATM)

Automated Teller machine is a computerized machine that provides the customers of the banks the facility of accessing their account for dispensing cash and carry out other financial and non-financial transactions without the need to actually visit their bank branch.

#### 2. Cash deposit and Cheque deposit Machine

These Machines are self-service terminal that enables to deposit cash and cheque without any manual intervention. All successful transactions are immediately credited into the account and customers will be issued a slip confirming the transactions.

#### 3. Passbook Update Machine

Through this Machine the customer easy to update passbook, simply open the passbook on the correct page and inset it into the update machine.

### Advantages of using Self Service Providing Machine

- 24\*7 (Anywhere, Anytime Banking)
- Time Saving

- Easy Withdraw, Deposit Cash
- Railway Ticket booking
- Fund Transfer
- Payment of Utility Bill (Electricity, Telephone bill etc)
- Update passbook
- Open Fixed Deposit
- Cheque Deposit
- Make Donation
- Tax payment etc.,

### Disadvantages of using self-service providing Machine

- No privacy
- Service problem
- Theft
- Fraud
- Can't get specific denomination while withdrawal
- Getting fake and old currency notes etc.,

### Statement of problem

Nowadays People are very busy so they are not ready to spend their time in branch banking. Due to this reason use of Self Service Providing Machine is increasing day-by-day. Customer Satisfaction is important one in today's banking. So it is important to study the customer awareness and satisfaction level towards self-service providing machines. Through this research can find out the problems which are faced by the customers. This study one of such an attempt.

### Objectives of the study

- 1) To study the awareness of customer regarding various services provided by self-service providing Machine
- 2) To examine the customer satisfaction level
- 3) To find out the problems faced by users
- 4) To give suggestion for improvement

### Review of literature

1. Jubair (2014) <sup>[1]</sup>, states that developments in banking technology, customer is able to perform not only basic banking

transactions like depositing and withdrawing cash through service providing machine but also non-banking transactions and value added services through these machine either free of cost or at a nominal transaction fee. He recommends that self-service machine with a bio-metric access avoid fraudulent activities, and also suggest that solar based machines are helpful to reducing the power supply.

2. Ashvini shende (2014) [2], pointed out that ATM users are increasing day by day. Due to increasing users the fraud cases and problems are also increasing like ATM skimming, Penetration etc., To avoid these problems she suggest that bank must have innovate and include HCI(Human Computer Interface) in the ATM. She also recommends that banks should give special devices must be embedded with ATM for senior citizen and physically challenged person.

3. Adeleye Idowu Olusanya (2015) [3], conduct a study from 200 respondents who are users of ATM Services. He states that customers are avoiding to go for banking halls, now can go to the closet ATM to do their banking transactions like withdrawal, utility bill payment, fund transfer etc.,He also suggest that to retain customers, bank should give more services through ATM. Banks should also focus on important aspect of security and privacy as well as efficient operation of ATM.

**Research methodology**

**Primary Sources**

A well-structured questionnaire was prepared and distributed to the customers of selected banks (3 private sector bank, 3 public sector bank namely ICICI, HDFC, AXIS,SBI,CANARA BANK, INDIAN BANK) in Coimbatore City near service providing machine centers.

**Secondary Sources**

The various Secondary information Sources used for the present research include the journals and magazines and also include website of bank.

**Tools used for Data Analysis**

The data collected was analyzed through Percentages, frequencies and chi - square tests are applied for the analysis of data. Charts are also prepared.

**Period of the Study**

The study was conducted during April 2016 to July 2016

**Sampling Design**

The study covers only the selected bank customers (SBI, CANARA BANK, INDIAN BANK, ICICI, HDFC, AXIS). In this study convenient random sampling technique has been used and 300 customers were selected on random basis.

**Limitations of the Study**

1. The customers may be hesitant to provide the necessary information.
2. Only 300 respondents were Selected for Sampling
3. Data is collected only from Coimbatore city

**Hypothesis Testing**

1. There is no Significance relationship between occupation and frequency of using Self Service Providing machines.
2. There is no Significance relationship between Family Monthly Income of the respondents and frequency of using Self Service Providing machines.

**Analysis and findings**

**Table 1:** Demographic profile of the respondents

Demographics		No., of respondents	Percentage (%) of the Sample
Gender	Male	172	57.33
	Female	128	42.67
Age	18 -20	35	11.67
	21-30	81	27.00
	31-40	99	33.00
	41 -50	54	18.00
	Above 50	31	10.33
	No formal education	36	12.00
Education	School level	51	17.00
	Graduate level	108	36.00
	Professional	71	23.67
	Others	34	11.33
	Student	57	19.00
Occupation	Employee	84	28.00
	Business	66	22.00
	Professional	71	23.67
	Others	22	7.33
	Below 20,000	42	14.00
Family Monthly Income	20,000–40,000	54	18.00
	40,000 –60,000	129	43.00
	Above 60,000	75	25.00

Source: Primary Source

Table 1 Clearly States that demographic profile of the Sample respondents. It reveals that Male respondents are higher than Female respondents using Self Service Providing Machine. Majority of the respondents using Self Service Providing

Machine service falls in the Age group of 31- 40 and Graduate are high as compared to other education groups. Majority of the respondents are working as a employee in both private and

public sector and majority of the respondents family monthly Income fall under Rs. 40,000–Rs. 60,000.

**Table 2:** Awareness level of Respondents

S.No	Awareness	Very High	High	Moderate	Low	Very Low
1	Cash withdrawal	300	-	-	-	-
2	Cash Deposit	279	15	6	-	-
3	Cheque deposit	65	72	42	98	23
4	Payment of utility bill	16	64	48	107	65
5	Fund transfer	18	43	102	69	68
6	Mobile recharge	21	34	73	112	60
7	Passbook update	62	97	67	65	9
8	Railway ticket booking	8	11	12	92	177

Source: Primary

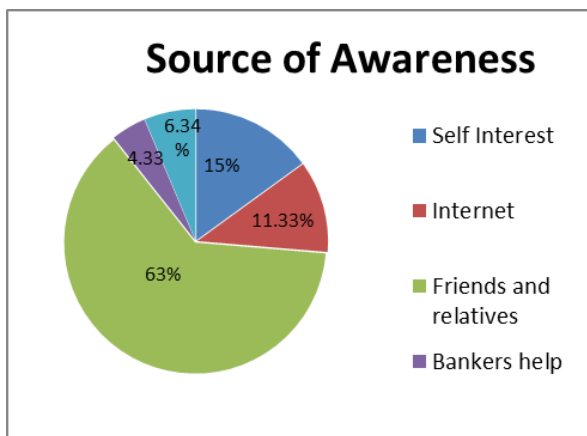
The above table reveals that Awareness level of various customers. Most of the respondent’s level of awareness level is low in payment of utility bill, Mobile recharge, Railway ticket booking through Self Service providing Machine. But all Respondents (100%) aware about cash withdrawal.

**Table 3:** Source of Awareness to use Self Service Providing Machine

S.No	Source	No., of respondents	Percentage (%)of sample
1	Self Interest	45	15
2	Internet	34	11.33
3	Friends and relative	189	63
4	Bankers help	13	4.33
5	Other	19	6.34

Source: Primary

The above table reveals that source of awareness to use self-service providing machine. In which 189 respondents (63%) are to use self-service providing machine with the help of Friends and relatives.

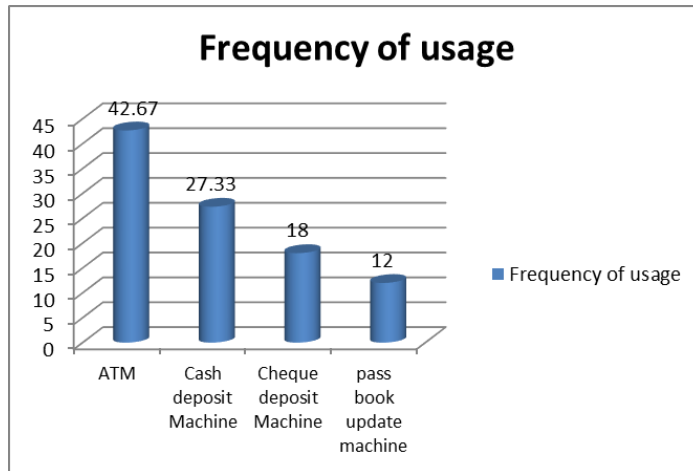


**Table 4:** Frequency of usage of Self Service providing Machines

S.No	Frequency	No., of respondents	Percentage
1	Atm	128	42.67
2	Cash deposit machine	82	27.33
3	Cheque deposit machine	54	18.00
4	Passbook update machine	36	12.00

Source: Primary

The above table reveals that Majority of the respondents 128 (42.67%) are using ATM frequently, 82(27.33%) of the respondents are using cash deposit machine, 54(18%) of the respondents are using Cheque deposit machine, 36(12%) of the respondents are using Pass book update machine frequently.



**Table 5:** Occupation and frequency of Using Self Service Providing Machine

S.No	Occupation	Frequency of Usage				Total
		ATM	Cash Deposit Machine	Cheque Deposit Machine	Pass Book Update Machine	
1	Student	35	12	5	5	57
2	Employee	38	19	9	18	84
3	Business	22	21	17	6	66
4	Professional	27	27	15	2	71
5	Others	6	3	8	5	22
Total		128	82	54	36	300

Source: Primary Data

The above table clearly states that Occupation of the respondents and frequency of usage.

Table Value = 43.026  
Significance level = 5%

**Null Hypothesis 1**

There is no significance relationship between family monthly income the respondents and frequency of using Self Service Providing Machine

Chi-square value = 21.567

**Result**

Thus the  $\chi^2$  value is less than table value we accept the hypothesis. Therefore there is no relationship between occupatin of the respondents and frequency of using Self-service providing machine.

**Table 6:** Family Monthly Income and frequency of Using Self Service Providing Machine

S.No	Family Monthly Income	Frequency of Usage				Total
		ATM	Cash deposit Machine	Cheque Deposit Machine	Passbook update Machine	
1	Below 20,000	19	13	4	6	42
2	20,000–40,000	22	12	9	11	54
3	40,000–60,000	53	45	23	8	129
4	Above 60,000	34	12	18	11	75
Total		128	82	54	36	300

Source: Primary Data

The above clearly states that family Monthly Income of the respondents and frequency of usage

Table Value = 45.43  
Significance level = 5%

**Null Hypothesis 2**

There is no significance relationship between Income of the respondents and frequency of using self Service providing machine.

Chi-Square value = 22.31

**Result**

Thus the  $\chi^2$  value is less than table value we accept the hypotheses. There is no relationship between Income of respondents and frequency of using self-service providing machines.

**Table 7:** Satisfaction levels of customers

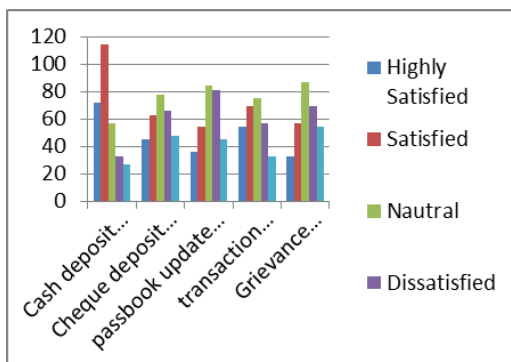
S.no	Particulars	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
1.	Location of Service providing Machine	63	115	58	51	13
2	Transaction charges	54	69	75	57	45
3	Regional language support	30	54	129	54	33
4	Cheque deposit facility	45	63	78	66	48
5	Cash deposit facility	72	114	57	33	27
6	Passbook update facility	36	54	84	81	45
7	Speed of transaction	66	84	69	48	33
8	Network capacity	96	78	54	48	24
9	Grievance Settlement	33	57	87	69	54
10	Overall Performance	108	96	48	27	21

Source: Primary Source

The above table state that the satisfaction level of the respondents. In which 36% of the respondents are Highly Satisfied the overall Performance of using self-service

providing machine, 32% of them are Satisfied, 16% of the respondents are neutral, 9% of the respondents are Dissatisfied and 7% of them are Highly Dissatisfied.

**Satisfaction level of various services provided by Self Service Providing Machine**



**Table 8:** Problems faced by the respondents while using self-service providing machine

S.No	Problems	Frequently	Rarely	Never
1	Lack of Safety and security	24	172	104
2	No privacy	113	85	102
3	Getting fake and old currencies	8	74	218
4	Technical problem	38	193	69
5	Cards get blocked	21	90	189
6	Non receipt of amount due to stoppage of power supply	59	72	169
7	Long queue	187	94	19
8	Amount debited but cash not dispensed	34	91	175

Source: Primary Source

The above table reveals that problem faced by the respondents. In which more customers are facing the problem of Privacy and Waiting for Long Queue.

### Suggestions

1. Number of Self Service Providing machines must be increased by banks in main areas in order to meet customer needs.
2. Service Providing machines must be maintained properly by banks. UPS systems, key boards, Monitors etc. must always be in proper working condition.
3. Cash refilling at proper intervals must be made by banks. This care should be taken over weekends and during holidays.
4. The bank should take necessary steps to increase the amount of withdrawals and to make cash deposit facility.
5. Banks should provide More awareness and training programmes about different services provided by service providing machines
6. Some special device must be embedded with Service providing machines for old age and physically challenged persons.

### Conclusions

The study provides necessary input to the bank management to increase customer satisfaction through improving service quality. The rapid growth in use of Service providing machines banks should also focus on important aspects of security, privacy as well as efficient operation of machines. More service providing machine should be available in busy areas like shopping malls, market centres and hospitals etc., when compare to Public Sector Banks, Private Sector Banks customers are more satisfied by using self-service providing machine. So public sector Banks have to take necessary steps to attract and satisfy the customers by giving more services.

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