

Customer Preference and Satisfaction Towards Canara Bank Services

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Abstract- *The study investigated about the customer preference and satisfaction towards canara bank ATM services. The study has used both primary data and secondary data for analysis. Primary data collected through questionnaire and secondary data collected through various journals, articles and from Internet. A sample of 120 participants was chosen at random to participate in the study, and they completed a survey form to collect data on their switching and non-switching intentions.*

study concentrates only on those customers who have Canara ATM card.

STATEMENT OF THE PROBLEM:

The use of ATM is increasing by day-by-day, it is important to study the preferences and satisfaction of customers towards the use of ATM services. The banking sector facing lot of challenges due to competition, technologies developments changing customer's needs and policies of government. In this competitive and fast changing era, it becomes imperative for a bank to satisfy the needs of the customer. The customers are more dynamic. So the banks are spending a lot of the time and energy to frame policies about customer satisfaction.

I. INTRODUCTION

Technology plays a major role in the development of Banking Industry. Information & The Communication Technology is the major Innovation in the field of technology which is used for access, process, storage and dissemination of information electrically. One of the facilities of banking services that are currently provided to facilitate transactions for customers is through an ATM (Automated Teller Machine). Some clients range obtained by the ATM is a 24-hour customer service for a wide range of banking transactions. ATMs have made hard cash just a door step away from our place throughout the day at any corner of the world and it allow us to do a number of banking functions-such as withdrawing cash from one's account, making balance inquiries and transferring money from one account to another using a plastic, magnetic-stripe card and personal identification number issued by the financial institution, ATM providing a variety of banking services to customers without having to come directly to the branch of a bank. It is very important to verify the customer satisfaction regarding the ATM service, because of this reason this study was undertaken.

SCOPE OF THE STUDY:

This study focuses on one of the bank's delivery channel, namely ATM service. The scope of this study has been restricted to deal with the Canara Bank ATM cardholders in Peelamedu. This research is conducted to examine the preference and level of Canara Bank's ATM cardholders. This

OBJECTIVE OF THE STUDY:

- To know the demographic factors of Canara Bank ATM card holders.
- To know the customers preference on Canara bank ATM services.
- To identify the factors influencing the level of satisfaction of customers using Canara bank ATM cards.
- To study the problems faced by the customers while using Canara Bank ATM cards.
- To offer suggestions to the bank for improving customers satisfaction.

RESEARCH METHODOLOGY:

Research Methodology is a way that helps to systematically solve a research problem. It may be understood as a science of studying how a research is done scientifically. Moreover, research methodology, is not only about the research methods but also consider the logic behind the method that is used in the context of our research study and explain why a particular method or technique is used. The study conducted was descriptive in nature and it was aimed to evaluate "Customer preference and satisfaction towards Canara bank ATM Services"

II. REVIEW OF LITERATURE

Sudath Weerasiri, Kosala Koththagoda (2017), in their Study entitled “The Impact of Automated Teller Machines (ATMs) Service on Customer Satisfaction. Researcher examines the impact of ATM service quality towards the customer satisfaction in Sri Lankan state banking sector. This research bridges the gap that exists in the current body of knowledge by investigating the ATM service qualities and their impact on customer satisfaction. It also examines the impact of demographic factors for the relationship between ATM service quality and customer satisfaction. The ATM service qualities have a positive impact on the customer satisfaction and the demographic factors like age and educational qualification moderate the relationship between ATM service quality and customer satisfaction.

Ms.Varalakshmi Ala pati&Ms.Shruthi V Nayak (2015), in their study entitled “A Study on Customer Satisfaction with the ATMs of canara and Bank and Role of ATMs for a Greener Environment” examine the level of customer satisfaction associated with various aspects of Bank and canara ATM. Quite a large number of both the bank’s ATMs are unaware of the various facilities provided by the ATMs other than just cash withdrawal and balance statement. They should be made aware of the facilities like transfer of funds, biller payments, mobile recharge, donating to charity etc. so that the customers can make better use of the ATMs by deriving all its benefits.

R. Renuka et al (2014), in the study “*Customers satisfaction towards ATM*” focuses on customer satisfaction towards ATM services offered by the banks and tries to suggest ways to improve services. Amongst other suggestions, the authors have suggested increasing awareness about various facilities and enhancing the withdrawal limit of cash per day. 24 hours access got the first rank while quality of receipt got the second rank for level of satisfaction. To find out the level of satisfaction respondents were provided a list of fourteen factors which were to be ranked. Likert scale was used for the purpose. The study considers only customer perceptions towards ATMs. However, staff perceptions have not been considered.

Dr. Giridhar et al (2013), in their research paper “*A study on customer satisfaction towards services provided through ATMs in Malnad rural regions of Shimoga District with special reference to SBM*”, have collected primary data of customers from only one PSB i.e. State bank of Mysore in Tirthalli Taluka of Shimog District. Though this study is based on collection of primary data, it does not consider the perceptions of bank staff. The study does not focus on

different types of problems faced by customers while using ATMs. The study concludes that “Despite the drawbacks in ATMs, it is still preferred as it benefits bank, employees and customers”. Unlike the present study, this study considers only one PSB bank but has not considered private sector banks, cooperative banks.

III. OVERVIEW OF THE STUDY

CANARA BANK:

CANARA BANK is the country's largest commercial bank, in terms of assets, deposits, and employees. Owned by the Indian government, it offers a range of general banking services from loans and advances to corporate and individuals in India and abroad. Because it is state-owned, canara is the preferred banker for most public sector corporations.

Canara along with its associate banks, offers micro-financing to entities such as self-help groups in rural areas that would otherwise have no access to formal credit channels.

HISTORY:

Widely known for customer centricity, Canara Bank was founded by Shri Ammembal Subba Rao Pai, a great visionary and philanthropist, in July 1906, at Mangalore, then a small port town in Karnataka. The Bank has gone through the various phases of its growth trajectory over hundred years of its existence. Growth of Canara Bank was phenomenal, especially after nationalization in the year 1969, attaining the status of a national level player in terms of geographical reach and clientele segments. Eighties was characterized by business diversification for the Bank. In June 2006, the Bank completed a century of operation in the Indian banking industry.

SPECIAL FEATURES:

- Launching of Inter-City ATM Network
- Obtaining ISO Certification for a Branch
- Articulation of Good Banking – Banks Citizen Charter
- Commissioning of Exclusive Mahila Banking Branch
- Launching of Exclusive Subsidiary for IT Consultancy
- Issuing credit card for farmers
- Providing Agricultural Consultancy Services

DATA ANALYSIS AND INTERPRETATION:

SIMPLE PERCENTAGE ANALYSIS:

Percentage analysis is one of the basic statistical tools which is widely used in analysis and interpretation of primary

data. It deals with the number of respondent’s response to a particular question is percentage arrived from the total population selected for the study. It is one of the simple forms of analysis which is very easy for anyone to understand the outcome of the research. It is normally used by commercial research organization and pictorially presented with different diagrams.

FORMULA:

$$\frac{\text{No. of Respondents}}{\text{Total No. of Respondents}} \times 100$$

TABLE N:01 GENDER OF THE RESPONDENTS

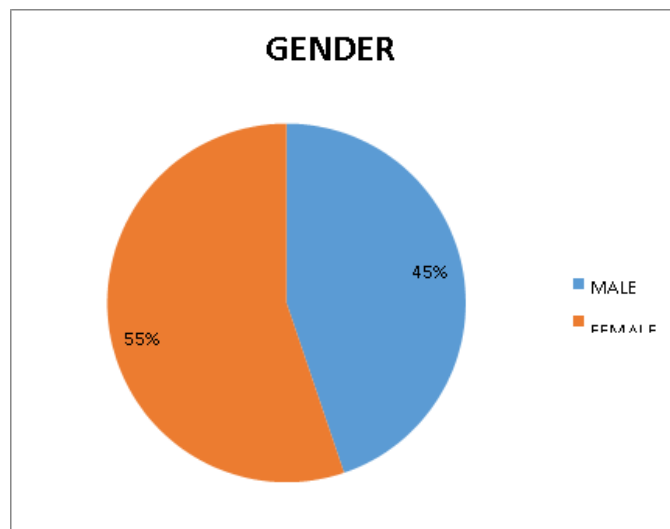
| GENDER | NO. OF RESPONDENTS | PERCENTAGE |
|--------------|--------------------|------------|
| MALE | 56 | 44.8 |
| FEMALE | 69 | 55.2 |
| TOTAL | 125 | 100 |

INTERPRETATION

The above table 4.1.1 shows that out of the 125 respondents 44.8% are male and 55.4% are female.

INFERENCE

Majority of the respondents are Female (55.2%)



**CHART NO:01
GENDER OF THE RESPONDENTS**

WEIGHTED AVERAGE ANALYSIS

Weighted average is a calculation that takes into account the varying degrees of importance of the numbers in a data set. In calculating a weighted average, each number in the data set is multiplied by a predetermined weight before the final calculation is made. In the weighted average, some data points in the data set contribute more importance to the average value, unlike in the arithmetic mean. It can be expressed as

$$\text{Weighted Average} = \frac{\text{Sum of weighted terms}}{\text{Total number of terms}}$$

CUSTOMER SATISFACTION LEVEL ON CANARA BANK ATM SERVICES

| LEVELS | HIGHLY SATISFIED | SATISFIED | NEUTRAL | NOT SATISFIED | HIGHLY NOT SATISFIED | TOTAL | MEAN SCORE |
|----------------------------|------------------|-----------|---------|---------------|----------------------|-------|------------|
| FACTORS | 1(5) | 2(4) | 3(3) | 4(2) | 5(1) | | |
| CASH AVAILABILITY | 29 | 63 | 10 | 14 | 9 | 125 | |
| | 145 | 252 | 30 | 28 | 9 | 469 | 3.75 |
| CASH WITHDRAWN CORRECTLY | 25 | 79 | 9 | 3 | 9 | 125 | |
| | 125 | 316 | 27 | 6 | 9 | 483 | 3.86 |
| BANK TAKE CARE OF PROBLEMS | 20 | 68 | 14 | 15 | 8 | 125 | |
| | 100 | 272 | 42 | 30 | 8 | 452 | 3.61 |
| GOOD QUALITY CURRENCY | 29 | 66 | 10 | 11 | 9 | 125 | |
| | 145 | 264 | 30 | 22 | 9 | 470 | 3.76 |

INTERPRETATION:

From the above table, the highest mean score is 3.86(Cash withdrew correctly) and the lowest mean score is 3.61(Bank take care of problems).

Majority of the respondents’ satisfaction level is high on CANARA BANK ATM towards Cash withdrawn correctly (3.86).

RANK ANALYSIS:

Analysis of ranks involves two steps. First, observations are assigned rank scores, usually from smallest to largest (the largest values given the largest ranks). Then, test statistics are calculated using rank scores

Rankings provide an incentive for better data collection within institutions, they can expose pockets of institutional weakness and confirm areas of strength, and they are useful for benchmarking against like institutions. Rankings encourage institutions to re-examine mission statements.

TABLE NO:02**REASON FOR CHOOSING CANARA BANK ATM**

| FACTORS | I | II | III | IV | V | TOTAL | RANK |
|--------------------|----|----|-----|----|----|-------|------|
| SECURITY AND TRUST | 39 | 12 | 17 | 25 | 32 | 376 | V |
| SPEED TRANSACTION | 37 | 9 | 19 | 39 | 21 | 377 | IV |
| CONVENIENCE IN USE | 38 | 14 | 21 | 29 | 23 | 390 | III |
| LOCATION OF ATM | 39 | 14 | 23 | 22 | 27 | 391 | II |
| CONSISTENCY | 41 | 14 | 19 | 30 | 21 | 399 | I |

INTERPRETATION

From this Rank analysis, it is found that the people consider Consistency as the primary reason for choosing CANARA BANK ATM service followed by location of the ATM, convenience in use, speed transaction and security and trust.

Majority of the respondents consider Consistency as the primary reason for choosing CANARA BANK ATM services.

CHI-SQUARE TEST

A Chi-square test, also written as X² test, is any statistical hypothesis test where the sampling distribution of the test statistic is a chi squared distribution when the null Hypothesis is true. Without other qualification, 'chi square test' often is used as short for 'Pearson's chi-square test'.

The chi square test is used to determine whether there is a significant relationship between the expected frequencies and the observed frequencies is one or more categories.

$$X^2 = \sum (O-E)^2/E$$

$$E = RT*CT/N$$

In this part of study an attempt is made to analyze the main factors influencing

The satisfaction level of the respondents in the study area. For the purpose of this analysis, variables are classified into two important aspects

- Dependent variables
- Independent variables.
- The overall level of the satisfaction of respondents was taken as dependent variable.

The independent variables used in the study are

- Age
- Service willing to use
- Occupation
- Sources of information
- Income
- Services provided

AGE AND SERVICES WILLING TO USE HYPOTHESIS:

There is no significant relationship between respondent's age and services willing to use in CANARA BANK ATM.

| AGE | SERVICES WILLING TO USE | | | | TOTAL |
|-------|-------------------------|----------|-------------|---------------|-------|
| | CHECK ACCOUNT BALANCE | DEPOSITS | WITHDRAWALS | PAY THE BILLS | |
| 18-25 | 9 | 8 | 12 | 14 | 43 |
| 26-35 | 13 | 13 | 7 | 9 | 42 |
| 36-45 | 5 | 5 | 5 | 11 | 26 |

| | | | | | |
|-------------------------|----|----|----|----|-----|
| 45 AND ABOVE E | 4 | 5 | 2 | 3 | 14 |
| TOTAL | 31 | 31 | 26 | 37 | 125 |

TABLE NO:03

| FACTOR | CALCULATED D VALUE | D.F | TABLE VALUE | REMARKS |
|--------|-----------------------|-----|----------------|----------|
| AGE | 8.152a | 9 | 16.92 | ACCEPTED |

INTERPRETATION

The calculated value of chi-square is less than the table value. Hence the hypothesis is accepted stating that there is no significant relationship between the age and the services willing to use in CANARA BANK ATM.

FINDINGS SUGGESTION & CONCLUSION:

SIMPLE PERCENTAGE ANALYSIS:

- Majority of the respondents are Female (55.2%)
- Majority of the respondents belong to the age group of 18-25(76.8%)
- Majority of the respondent's educational qualification is Under Graduate (73.6%).
- Majority of the respondents are Students (73.6%).
- Majority of the respondent's income is less than 5000(44%).
- Majority of the respondents are Unmarried (75.2%).
- Majority of the respondents are living in Nuclear Family (65.6%).
- Majority of the respondents have personal bank account in CANARA (64%).
- Majority of the respondents use CANARA ATM cards (87.2%).
- Majority of the respondents gain information about CANARA ATM through Friends and Relatives (52%).
- Majority of the respondents use ATM cards once a week (46.4%).
- Majority of the respondents use CANARA ATM cards to avoid needlessly carrying cash (61.6%).

- Majority of respondents are using the CANARA ATM for Withdrawals (57.6%).
- Majority of the respondents state most useful service provided by CANARA ATM is Cash Withdrawal (55.2%).
- Majority of the respondents have the problem of Machine out of cash (40%).

WEIGHTED AVERAGE ANALYSIS:

Majority of the respondents' satisfaction level is high on CANARA BANK ATM towards Cash withdrawn correctly (3.86).

RANK ANALYSIS:

Majority of the respondents consider Consistency as the primary reason for choosing CANARA BANK ATM services.

CHI SQUARE ANALYSIS:

There is no significant relationship between respondent's age and services willing to use in CANARA BANK ATM.

There is a significant relationship between respondent's occupation and sources of information.

There is a significant relationship between respondent's income and services provided.

SUGGESTIONS:

- The management of the CANARA BANK should conduct more service awareness schemes.
- ATM services should be extended to the rural population.
- Machine out of order was the negative remark made by the ATM services.
- Availability of complaint book, location and number of ATMs are the expectations of respondents.
- The CANARA BANK should increase the level of providing personal attention to individual attention.

IV. CONCLUSION

As per the study done, majority of the customers use CANARA BANK ATM for cash withdrawal. The customers are looking for better and quality services which would enhance their satisfaction. From the above analysis, it is clear that the CANARA bank cares most of the customer needs and it has satisfied majority of its customers. CANARA bank has many positive features and satisfies most of the customers' needs by the services offered.

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