



CUSTOMERS' SATISFACTION TOWARDS BANK OF BARODA AT THIRUPPATTUR BRANCH

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Abstract

Banking is essentially service oriented industry and it has to sustain itself on its service. The subject deals about banking and financial systems prevailing in a country. The banking system consists of central banks, commercial banks, co-operative banks, foreign banks, etc., which are involved in the banking operations of the country. The financial system deals about money market, capital market, foreign exchange market and the various sources for raising funds. It also includes financial instruments. With changing world trade, there has been a tremendous change, both in the banking and financial system. Added to theirs the technological changes with the advent of computers have also brought in enormous changes in the functioning of banking and financial system. In this study we have measured the satisfaction level of customers of Bank of Baroda. The study aimed at to measure the level of satisfaction of account holders. The sample population used for this study comprises of 90. Customers of Bank of Baroda selected from the study area on the basis of convenient sampling technique. The data collected are grouped, classified and tabulated with the help of a computer. The statistical data namely, percentage analysis, chi-square test are used so as to facilitate fast analysis and easy interpretation. This study focuses on the various parameters of level of satisfaction of Bank of Baroda customers in thiruppattur town.

Keywords: Banker, Customer, Relationship, Satisfaction.

INTRODUCTION

In the long run the bank that builds long-term mutually beneficial relationship with its customers succeeds the most. Banks, which look only, to short run profits and disregard the customers' interests, do so at their own peril. The financial system deals about money market, capital market, foreign exchange market and the various sources for raising funds. It also includes financial instruments. With changing world trade, there has been a tremendous change, both in the banking and financial system. Added to theirs the technological changes with the advent of computers have also brought in enormous changes in the functioning of banking and financial system. In the words of Mahatma Gandhi the father of nation, "A customer is the most important visitor on our premises". He is not dependent on us, we are dependent on him. He is not an interruption on our work, he is the purpose of it. He is not an outsider for our services. We are not doing him favor by serving him. He is obliging us to giving an opportunity to do so". These words of Gandhi very much apply to all business entities and banking units are not exception. Many banks use the slogan "Customer is the king", since it is personalized service- oriented industry.

BANKER – CUSTOMER RELATIONSHIP

A customer can be defined as a user or a potential user of bank services. Services are just a day-in, ongoing, never ending unremitting, preserving

compassionate type of activities. Customer service means generation of range of service designed to meet the customer needs, not only the present but also the demand of the potential and prospective customers. Before we undertake to discuss the banker- customer relationship, the term banker and customer must be clearly understood. Different opinions have been giving on the term banker. According to Dr.Herbert L.Heart "A banker is one who in the ordinary course of this business hours cheques drawn upon his by persons from and for whom he received money on current accounts". According to Sir. John Paget "No person or body corporate or otherwise can be a banker who does not, accept deposit account, accept current accounts, issue and pay cheques and Collect cheques crossed or uncrossed for his customers. Whereas customer According to Sir. John Paget "to constitute a customer there must be some recognizable course or habit of dealing in the nature for regular banking business". In the above definition of Sir. John Paget tow conditions are given a customer is one who deals with the bank and the dealing of the customer must be in the nature of regular banking business. The relationship between banker and customer can be in the form of Debtor- creditor, Trustee-Beneficiary, Agent-Principal, Bailor- Bailee and Assignor- Assignee.

Present day Bank of Baroda is the successor of the erstwhile "The Bank of Baroda Limited", founded in 1908 in a small town - Baroda - by the great visionary

the late Maharaja of Baroda - Sir Sayajirao Gaekwad-III. From its humble beginnings, the Bank has grown, over the years, to emerge as an Indian Financial Powerhouse, with a network of over 5,365 branches in India across the length and breadth of the country and 96 overseas branches/foreign offices in 25 countries across 5 continents serving a Global customer base of over 45 million. In tune with times and in response to the emerging market requirements, the Bank has set up specialized branches dedicated to specific Customer segments. Bank has also set-up specialised Retail, Corporate and SME Loan factories across the country which work on assembly line principle to reduce turnaround time for sanction of retail and corporate loans.

It basically, implies ascertaining and assessing the customer's requirements needs and expectations process to fulfill and integrate these with the organizational goods and objectives. The present study on customer service makes an attempt to study the extent to which customer are satisfied and study the nature of customer services rendered by Bank of Baroda, Thirupattur.

REVIEW OF LITERATURE

Lewis and Birmingham (1991), studied the needs, attitudes and behaviour of youth market for financial services and found the youth market not homogenous in terms of needs and behaviour. Boyd, W.L., Leonard, M and White, C. (1994) conducted a study on consumer choice criteria in financial institution selection in U SA and found that reputation and interest rates (loans/savings) more important than friendliness of employees, modern facilities and drive - in - service. Rajagopla Nair (1994) in his study on rural bank marketing found that security and liquidity are the major pre-requisites for deposits by rural customers and that interest rate on deposits is not at all a criterion for rural bank depositors to deposit their savings with commercial banks. Huu Phuong Ta and Kiir Yin Har (2000) studied bank selection preferences of undergraduates in Singapore. In the study, nine criteria for bank selection decision and five banks were identified, and the decision problem structured into a three-level hierarchy using the Analytic Hierarchy Process. The findings indicate that undergraduates place high emphasis on the pricing and product dimensions of bank services.

OBJECTIVES OF THE STUDY

The following objectives were framed for the purpose of this study.

1. To understand the concept of customer services offered by Bank of Baroda, thirupattur.
2. To study the perception of customers about the banking services
3. To give better suggestions based on the findings of the study.

METHODOLOGY

This is an intensive study on the customers' services rendered by Bank of Baroda, thirupattur branch. The methodology adopted in the collection and analysis of data has been detailed below.

DATA SOURCE

The sources of data for this study included both primary and secondary information. The secondary data were gathered from websites, journals, Bank records and other materials. The primary data were collected from the customers by using a structured questionnaire.

SAMPLE DESIGN

Bank of Baroda, Thirupattur is very big branch servicing a vast number of customers and the public. A sample of 90 customers is chosen for the study at random basis.

STATISTICAL ANALYSIS OF THE STUDY

To study the customer's service rendered by Bank of Baroda, the hypothesis test is applied. The association relation between the variable like personal biography with the customer service is combined. Chi-square was used to the hypothesis. The results are based on that. The two way table and simple percentage analysis are used. Summary measures are based on the values reported by those who completed the questionnaire.

HYPOTHESIS OF THE STUDY

The following Hypothesis were used for the analysis of the study

- Ho-There is no Association of relationship between type of account holders and opinion on customer service
- Ho-There is no association of relationship between occupation and opinion on customer service
- Ho-There is no association of relationship between educational qualification and opinion on customer service.

LIMITATIONS OF THE STUDY

This following are the limitations of the study.

1. This study covered a sample of 90 customers, which may or may not be true representative of the total number of customers of the branch as they were chosen using convenient sampling on daily visit.
2. The study covered only one branch which is in Thirupattur.
3. Since data is collected through questionnaire, the reality of result of the study will be according to the response and the nature of the data given by the respondents.

DATA ANALYSIS AND INTERPERTATION

TABLE 1
DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Demographic Profile		No. of Customers	Percentage to Total
Gender	Male	61	67.8
	Female	29	32.2
	Total	90	100.00
Age	20 – 30 Years	10	11.1
	31 – 40 Years	25	27.8
	41 – 60 Years	35	38.9
	Above 60 Years	20	22.2
	Total		100.00
Marital Status	Married	79	87.8
	Unmarried	11	12.2
	Total	90	100.00
Educational Qualification	Schooling	3	3.33
	SSLC	13	14.44
	HSC	14	15.56
	Degree	60	66.67
	Total	90	100.00
Occupation	Business	31	34.44
	Govt. Employees	29	32.22
	Private Employees	14	15.56
	Others	16	17.78
	Total	90	100.00
Annual Income	Up to ₹50,000	16	17.8
	₹50,001 – ₹1,50,000	25	27.8
	₹1,50,001 – ₹2,50,000	15	16.6
	₹2,50,000 – ₹5,00,000	29	32.2
	Above ₹5,00,000	5	5.6
	Total	90	100.00

Source: Primary Data.

The demographic profile of select customers of Bank of Baroda reveals that, 67.8 percent of them are male. In term of age, it is evident that 27.8 percent of the customers are falling in the age group ranging between 31-40 years. Graduates accounted for 66.67 percent.

Business people dominated the sample with 34.44 percent. In term of marital status, 87.8 percent of the respondents were married. The income statistics revealed that 32.2 percent of the customers were earning their income between Rs.2,50,001-Rs.5,00,000 yearly.

TABLE 2
BANKING PROFILE OF THE RESPONDENTS

Banking Profile		No. of Customers	Percentage to Total
Type of account	Savings	63	70.00
	Current	19	21.00
	Recurring deposit	8	9.00
	Total	90	100.00
Banking experience	1-5 years	8	8.89
	6-10 years	48	53.33
	11-15 years	22	24.44
	Above 15 years	12	13.33
	Total	90	100.00
Banking preferred system	e-banking	81	90.00
	Conventional	9	10.00
	Total	90	100.00
e-banking experience	1-3 years	53	58.9

	4-6 years	27	30.0
	Above 6 years	10	11.1
	Total	90	100.00
Use of e-banking channel	Yes	37	41.1
	No	53	58.9
	Total	90	100.00

Source: Primary Data.

The Banking profile of the customers reveals that 70 percent of the select customers maintain savings account in Bank of Baroda. 53.3 percent of them are having banking experience ranging between 6-10 years. The convenience of all the customers would be greatly enhanced by an electronic, 24 hour branch. As a result

90.0 percent of the respondents prefer e-banking rather than conventional banking system. 58.9 percent of the respondents have e-banking experience ranging between 1-3 years. 41.1 percent of the respondents use e-banking channels every day.

HYPOTHESIS TESTING

TABLE 3
ASSOCIATION OF RELATIONSHIP BETWEEN THE TYPE OF ACCOUNT HOLDERS AND RESPONDENTS CUSTOMER SERVICE OPINION

Particulars	Types of accounts			Total	Statistical Inference
	Savings Bank A/C	Current A/C	Recurring Deposit		
Good	40	13	8	61	$\chi^2=5.2326$ $v=4$ $\chi^2_{0.05}=9.49$ $5.23 < 9.49$ Not Significant
Fair	20	6	-	26	
Poor	3	-	-	3	
Total	63	19	8	90	

As shown in the above table respondents stated that customer service is good. Among 61, 40 of them are holding SB A/C, 13 of them are holding current a/c and 8 of them is holding recurring deposit. 26 of them stated those customers services are fair. The 3 respondents

holding SB A/C stated the customer service is poor. Calculated value < Table value, Hence the Null Hypothesis is Accepted. Hence, there is no relationship between type of account holders and opinion on customer service.

TABLE 4
ASSOCIATION RELATION BETWEEN OCCUPATION AND OPINION ON CUSTOMER SERVICE

Particulars	Occupation				Total	Statistical Inference
	Business	Government employees	Private employees	Others		
Good	24	20	5	12	61	$\chi^2=20.3376$ $v=6$ $\chi^2_{0.05}=12.6$ $20.34 > 12.6$ Significant
Fair	7	9	6	4	26	
Poor	-	-	3	-	3	
Total	31	29	14	16	90	

The above table shows the association of relationship between the occupation of the respondents and their opinion on customer service. Out of 61 respondents, 24 of them are business people, 20 of them are government employees, 5 of them are private employees and 12 of them are doing other business.

Among 20 respondents say who are in business, that the customer service is fair. Calculated value > Table value, Hence the Null Hypothesis is rejected. Hence it is concluded that there is significant relationship between occupation and opinion on customer service.

TABLE 5
ASSOCIATION OF RELATIONSHIP BETWEEN EDUCATIONAL QUALIFICATION AND OPINION ON CUSTOMER SERVICE

Particulars	Educational Qualification				Total	Statistical Inference
	School	SSLC	H.S.C	Degree		
Good	1	9	10	41	61	$\chi^2_{v=6} = 4.7065$ $\chi^2_{0.05=12.6}$ $4.71 < 12.6$ Not Significant
Fair	2	3	4	17	26	
Poor	-	1	0	2	3	
Total	3	13	14	60	90	

The above table shows the association between the Educational Qualification of the respondents and their opinion on customer service. Out of 61 respondents 9 are SSLC, 10 of them are HSC and 41 of them are Degree holders. Calculated value < Table value, Hence the Null Hypothesis is Accepted. Hence it is calculated that there is no association between educational qualification and opinion on customer service.

SUMMARY OF SUGGESTIONS AND CONCLUSION

The summary of the study on the customers' services rendered by Bank of Baroda, in Thiruppattur branch is presented in this study. Thiruppattur branch is located in Madurai Main Road. The other services include safe deposit locker facilities, investments counseling, charring of standing instruction of customers, customers' friendly relations, teller facilities, gift cheques, travellers cheque, drafts on all over India. Nomination facility is available in all account. Based on the findings of the study, the following suggestions are given to the management of the Bank of Baroda, Thiruppattur branch for further improvement.

- 1) The bank has prescribed standard time for opening of bank A/C deposit of cash, encashment of cheque, issue of cheque book demand draft and sanctioning loans, in the branch could not do them with in the standard time. Efforts may be made to achieve the standard time prescribed in the completion of work.
- 2) The procedures for opening of New Account and sanctioning of loan may be simplified.
- 3) Adequate motivation should be given to the all staff members in rendering valuable services to the customers and also to work with team spirit.
- 4) The branch should provide adequate parking facility to the customers to park their vehicles.

The research entitled "Customer Satisfaction towards Bank of Baroda at Thiruppattur Branch" is conducted to study about the satisfaction of customers in banking services. The study is limited in Thiruppattur branch only. Further research can be made in all the branches in Sivagangai District and comparison study can also make with other commercial banks in Thiruppattur. In the

present study, the researcher found that the customers' service and customer satisfaction rendered by the Bank of Baroda is highly good and they make more comfortable to the customers. Some of the suggestions have also been given to the usefulness of the bank.

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