



## A STUDY ON CORE AND ADDON SERVICES PROVIDED BY THE RETAIL BANK ORGANISATION IN CHENNAI

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### Abstract

*In service based industry customer satisfaction is the major factor for success of the organization. In that customer service is of highest priority. Customer service can be provided by well-equipped employees. In banking industry customers are more directly connected with the employees for any banking transactions. This articles describe the core and add-on services provided by the retail banks organization in the selected area. The core services are highly influenced the satisfaction level of the customers. The sample size of the study is 540*

**Keywords:** Core and Addon Services, Retail Bank.

### INTRODUCTION

The theoretical framework of this research is concentrated to service quality created by a satisfied employee in order to meet the expectations of the customers. The study employs to find out the gap between customers' perception and expectation on customer satisfaction. Today business organizations are more customers-focused than ever before since customer satisfaction is a competitive advantage which is sustainable over the long term (Schnaars, 1991). The organization should focus on the customers' expectations, complaints, requirements and needs for maintaining good customer relationship. Satisfied customers mean a long term profitable business since they stay loyal to the business (Gumesson, 2002).

### METHODOLOGY

#### CORE/ADD ON SERVICES OF PRODUCT OFFERED BY BANKS

Almost all the banks viz. Public & private sector Banks provide ATM, credit card, debit card, electronic transfer, tele banking, internet banking, 24 hours banking, internet banking, core banking, mobile banking, tele banking and anywhere banking facilities to their customers. In order to identify the services offered by the selected banks through customer survey. The following table represents the details of core services offered by the banks and 'Yes' variable mean that services offered by the selected banks to their customers and 'No' variable mean that services not offered by the selected banks to their customers.

### RESULTS

**TABLE - 1**  
**DETAILS OF CORE/ ADD ON-SERVICES OF PRODUCT**

S. No	Core/ Add on Services of Product	Yes		No		Total	
		Frequency	%	Frequency	%	Frequency	%
1.	Credit Card	534	98.9	6	1.1	540	100
2.	ATM & Debit Card	540	100.0	-	-	540	100
3.	Insurance Products	366	67.8	174	32.2	540	100
4.	Mutual Funds	243	45.0	297	55.0	540	100
5.	8 to 8 Banking	64	11.9	476	88.1	540	100
6.	Core Banking	317	58.7	223	41.3	540	100
7.	Internet Banking	499	92.4	41	7.6	540	100
8.	WAP Banking	338	62.6	202	37.4	540	100
9.	ATM Service	518	95.9	22	4.1	540	100
10.	Tele Banking	361	66.9	179	33.1	540	100
11.	Mobile Banking	495	91.7	45	8.3	540	100

12.	Elec. Fund Transfer	452	83.7	88	16.3	540	100
13.	Safe Locker Facility	456	84.4	84	15.6	540	100
14.	Demat Account	244	45.2	296	54.8	540	100
15.	Current Account	535	99.1	5	0.9	540	100
16.	Recurring Deposit	524	97.0	16	3.0	540	100
17.	Cheque book facility	540	100.0	-	-	540	100
18.	Over Draft Facility	520	96.3	20	3.7	540	100
19.	Demand Draft	540	100.0	-	-	540	100
20.	Bill payment services	466	86.3	74	13.7	540	100
21.	Gold Loan	476	88.1	64	11.9	540	100
22.	Vehicle Loan	513	95.0	27	5.0	540	100
23.	Housing Loan	525	97.2	15	2.8	540	100
24.	Personal Loan	502	93.0	38	7.0	540	100
25.	Educational Loan	442	81.9	98	18.1	540	100

Source : Primary data

Out of 25 services, the three major services via ATM cum Debit card, Cheque Book facility and Demand Draft facility offered by all the selected banks to their customers (100%). Out of 540 respondents, 535 (99.1%) respondent is responding that the current account facility offered by the banks and 5 (0.9%) respondent is not responded that facility.

And 534 (98.9%) of the respondent are responding the credit card facilities offered by the banks and 6 respondents (1.1%) are not responded that facility.

The majority of the respondents (n=525, 97.2%) observes that with the lending performance of housing loan facility offered to their customers. And remaining (n=15, 2.8%) respondents are not observing that facility offered by their banks.

Out of 540 respondents, 524 (97%) respondent is responding that the recurring deposit account facility offered by the banks and 16 (3%) respondent is not responded that facility.

The majority of the respondents (n=520, 96.3%) observes that with the lending performance of overdraft facility offered to their current account holders. And remaining (n=20, 3.7%) respondents are not aware that the facility offered by their banks.

Out of 540 respondents, 518 (95.9%) respondent is responding that the ATM services offered by the banks and 22 (4.1%) respondent are not responded that facility.

The majority of the respondents (n=513, 95%) observes that with the lending performance of vehicle loan facilities offered to their account holders. And remaining (n=37, 5%) respondents are not aware that the facility offered by their banks.

The majority of the respondents (n=502, 93%) observes that with the lending performance of personal loan facilities offered to their account holders. And remaining (n=38, 7%) respondents are not aware that the facility offered by their banks.

Out of 540 respondents, 499 (92.4%) respondent is responding that the internet banking services offered by the banks and 41 (7.6%) respondent are not responded that facility.

Out of 540 respondents, 495 (91.7%)

respondent is responding that the mobile banking services offered by the banks and 45 (8.3%) respondent are not responded that facility.

The majority of the respondents (n=476, 88.1%) observes that with the lending performance of the gold loan facility offered to their account holders. And remaining (n=64, 11.9%) respondents are not aware that the facility offered by their banks.

The majority of the respondents (n=466, 86.3%) observes that with the lending performance of bill payment services offered to their current account holders. And remaining (n=74, 13.7%) respondents are not aware that the facility offered by their banks.

The majority of the respondents (n=456, 84.4%) observes that to add on services of safety locker facilities offered to their customers for satisfaction. And remaining (n=84, 15.6%) respondents are not aware that the facility offered by their banks.

The majority of the respondents (n=452, 83.7%) observes that to add on services of electronic fund transfer facilities offered to their account holders. And remaining (n=88, 16.3%) respondents are not aware that the facility offered by their banks.

The majority of the respondents (n=442, 81.9%) observes that with the lending performance of the educational loan facility offered to their account holders. And remaining (n=98, 18.1%) respondents are not aware that the facility offered by their banks.

Out of 540 respondents, 366 (67.8%) respondent is responded that add on services of offering insurance products to their customers and 174 (32.2%) respondent are not responded that facility.

Out of 540 respondents, 361 (66.9%) respondent is responded that add on services of tele banking facility to their customers and 179 (33.1%) respondent are not responded that facility. In this study 338 (62.6%) respondent are responding that add on services of WAP banking facility to their customers and 202 (37.4%) respondent are not responded that facility. Out of 540 respondents, 317 (58.7%) respondent is responded that add on services of the core banking facility to their customers and 223 (41.3%) respondent are not responded that facility.

In this study, 244 (45.2%) respondent is responded that add on services of the demat account facility to their customers for investment and 296 (54.8%) respondent are not responded that facility. Out of 540 respondents, 243 (45%) respondent is responded that add on services by offering mutual fund products to their customers for investment and 297 (55%) respondent are not responded that facility.

The majority of the respondents (n=64, 11.9%) is not observing that with add on services of 8 to 8 banking facilities offered to their account holders. And remaining (n=476, 88.1%) respondents are not aware that the facility offered by their banks.

### **CONCLUSION**

The core and add on services are strongly acted upon the satisfaction level of the customers. Hence it is found that most of the clients are moderately satisfied with the service rendered by the banks in Chennai city.

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