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A STUDY ON CUSTOMERS SATISFACTION TOWARDS ATM CARDS WITH SPECIAL REFERENCE TO UDUMALPET TOWN

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ABSTRACT

Banking industry plays an important role in promoting the economic development of the country. It is continuously going through changes on account of liberalization and globalization. Automated Teller Machine (ATM) has changed the whole scenario of the banking functions in the recent years. Using an ATM, customers can access their bank accounts in order to make cash withdrawals, debit card cash advances, and check their account balances. The study includes the objectives viz., awareness level, reason, satisfaction level and problems related to the usage of ATM cards. The findings of the work stated that majority of the respondents availed ATM service for cash withdrawal and they were mainly satisfied with the locational aspect. It concluded that the banking industry plays a vital role in satisfying the expectation of the customers through various technological innovations. The study suggested to improve the privacy and safety of the transactions carried out through ATM's.

KEYWORDS: Bank, ATM

INTRODUCTION

In a competitive environment where businesses compete for customers, satisfaction of the stakeholders is seen as a key differentiator and increasingly has become a important element of business strategy.

Finance is the life blood of trade, commerce and industry. A bank is a financial institution which deals with deposits and advances and other related services. A sound and effective banking system is the backbone of an economy. Development of any country mainly depends upon its effective banking system.

The scenario of the banking sector is completely changed by existence and functioning of new generation private sector banks and foreign banks. Banks use modern technologies which enable the bankers to face the barriers of time and space in extending their customer services and customers are able to access and avail the services on a 24x7 basis across the world.

AUTOMATED TELLER MACHINE

Information technology is helping banks to move closer to the customer enhancing comfort and convenience to the customers. Technology has swiftly and comprehensively changed the face of

banking sector in the country. Customers are treated as the king and banks are offering services at their door step by way of mechanization of processes. This objective is now being achieved through networking system such as Wide Area Network (WAN) and Local Area Network (LAN). The ATM was made use of through WAN.

An Automated Teller Machine is an electronic instrument strategy that enables the clients of a financial institution to access and avail financial transactions without the need for a human resource of the bank.

ATM channel provides opportunity for banks to go for competent and cost effective models. However, ATM Channel has dominated the public technology segment, and future of ATM industry is also quite bright and also widened due to the demonetization in India.

The ATM technology has developed to such an extent that some ATMs can memorize consumer preferences as per their past transactions, behaviour, and tailor services accordingly. In many cases, ATMs have internet scope which facilitates two way communications with live agents, provide biometric options, and have the ability to demonstrate personalized advertisements. Maintenance of web enabled ATMs are easy. These ATMs can be quickly connected to central monitoring system of vendors.

As per the Global ATM Market and Forecasts to 2016, the maximum growth of ATMs is happening in Asia Pacific Region. India and Indonesia are having one fourth of the number of ATMs, and China is accounted for half of the new ATMs. Worldwide growth of ATMs is steadily increasing. In India, ATM industry is growing at an exponential rate..

METHODOLOGY

The validity of any research depends upon accurate and adequate data. The reliability of data depends upon the effective application of suitable, appropriate and relevant methodology. Realising the significance of methodology, the researcher has applied the appropriate methodology for the success of the research work.

SOURCES OF DATA

The study is mainly based on the primary data. Primary data were collected through specially well-designed questionnaire. The researcher also used the secondary data collected from books, journals, magazines, websites and periodicals.

SAMPLING DESIGN

The sample size selected for the study was 120 respondents. Convenient sampling method is used to select the respondents. The sample respondents were selected who were using ATM Cards offered by their respective banks.

DATA COLLECTION

Primary Data

The primary data were collected by using a well-structured questionnaire that was duly filled by the respondents in the study area.

Secondary Data

The secondary data were collected from leading journals like Indian Journal of Marketing, International Journal of marketing, Indian Journal of Applied Research, Journal of Management, Asian Journal of Management Research, Business intelligence Journal and so on.

CONSTRUCTION OF INTERVIEW SCHEDULE

The questionnaire was the instrument used for collecting primary data from the respondents. Interview schedule contains questions regarding profile of the respondents, bank account details and level of satisfaction of ATM Card holders.

FRAMEWORK OF ANALYSIS

The master table was prepared with the information collected through the interview schedule for the purpose of analysis.

The collected data were presented in the simple table and these tables were systematically analysed with the help of simple percentage. Chi square test was employed to study the association between monthly income and educational qualification with the level of satisfaction of customers towards ATM Card.

Chi-Square Test

Chi-Square test was used to test the level of satisfaction of the respondents. It is sum of deviation's square in the observed and expected frequencies is divided by selected frequencies.

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

Degree of freedom= (R-1)(C-1)

Where,

X^2 = Chi-Square

O = Observed frequency

E = Expected frequency

R = Number of rows

C = Number of columns

Calculated value of Chi-Square (X^2) is compared with the table value of given degree of freedom at 5 per cent level of significance.

Ranking Technique

The respondents were asked to rank the problem faced by them while using ATM Cards. The ranks given by the respondents to each factor are converted into scores of individual respondent and were added together then divided by the total number of respondents. The mean score of the problems were arranged in the order of rank and inferences are drawn by using it.

Scaling Technique

Scaling technique was employed to study the association between monthly incomes, educational qualification with the level of satisfaction of customers towards ATM Cards. Average level of satisfaction was measured by arithmetic mean and standard deviation was also computed based on the score.

The respondents who score above the value of arithmetic mean plus standard deviation are considered that they are with the high level of satisfaction. Those who had score below the value of arithmetic mean minus standard deviation are indicated that they are satisfied at low level. Those who have scored between high and low level of satisfaction considered as they are with the medium level of satisfaction with their ATM facilities.

STATEMENT OF THE PROBLEM

Banking industry plays an important role in promoting the economic development of the country. Arrival of foreign banks in the last decade, improvement in the service providers are demanding organisations to think of improving their services by using latest technologies to satisfy the customers and also to retain their market share. Thus there is a necessity for every banking company to adopt themselves with the technological changes. Computerization based banking services are introduced to provide better services to the customers and that enables them to save time, easy access to account and so on.

Usage of computers have made banking operations more comfortable and facilitating anytime and anywhere banking (ATM). The emergence of Automated Teller Machine (ATM) has changed the whole scenario of the banking functions in the recent years. As the use of ATM is increasing day-by-day, it is important to study the insight about the level of customer satisfaction with respect to various aspects of ATM Cards and to identify the problem areas. Thus, the researcher has made an attempt to analyse the reason behind the usage and level of satisfaction of customers as well as problems faced by them.

OBJECTIVES OF THE STUDY

The overall objective of the study is to ascertain the customer satisfaction towards ATM cards with special reference to Udumalpet town. The specific objectives are:

1. To analyse the awareness level of ATM cardholders.
2. To find out the reason behind the usage of ATM Cards.
3. To study the satisfaction level of the customers using ATM Cards.
4. To analyse the problems faced in ATM usage.

SCOPE OF THE STUDY

This study aims to assessing the customer satisfaction towards ATM cards with special reference to Udumalpet town. This study includes and based on the data provided by the respondents through a structured questionnaire. There are 19 banks both public sector bank and private sector bank customers are observed as respondents for this study. The study also observes the individual's satisfaction towards ATM facility, purpose of using ATM Cards and the problems faced by the respondents while using the ATM Cards.

REVIEW OF LITERATURE

MuhammedAsif Khan (2010) has conducted a study on "An empirical study of Automated Teller Machine Service Quality and Customer Satisfaction in Pakistani Banks". The study stated that a rapid growth in the introduction and diffusion of Information and Tele-Communication Technology (ICT) in Pakistan banking sector provides a platform to use innovative technologies to enhance operational efficiency and quality of service to attain and retain customers with high satisfaction.

Dr.Manvinder Singh Pahwa and Prof. Dr.KaruneshSaxena (2011) did a study on "Analytical study of Customer satisfaction at ICICI Bank with special reference to ATMs" aims at analysing the satisfaction level of the customer of ICICI Bank holding ATM card in Udaipur City with respect to service quality of ATM, personal, location, sufficient number of ATMs in city. And they found that customers are highly satisfied with service provided by the ICICI bank in Udaipur city.

V. AlaguPandian and R.K. Sharma (2012) made a study on "A Study on Customers attitude towards ATM services of Banks in Rajapalayam, Tamil Nadu" aimed at finding attitude of customers in ATM services provided by the banks and concluded that the peoples of Rajapalayam expect more ATM centre in all part of town rendering 24 hours service and also there is a need for facility of getting money in all denomination.

FINDINGS, SUGGESTIONS AND CONCLUSION

Category	Factors	Percentage
Age	Below 20 Years	10
	21-40 Years	62.5
	41- 60 Years	22.5
	Above 60 Years	5
Gender	Male	45.83
	Female	54.17
Educational Qualification	School level	25.00
	Graduation	25.83
	Post-graduation	38.33
	Professional degree	10.83
Marital status	Married	37.5
	Unmarried	62.5
Occupation	Business	20.83
	Employed	29.17
	Professional	5.83
	Agriculture	20.00
	Homemaker	8.34
	Students	15.83
Monthly Income	Below Rs.10000	47.50
	Rs.10001 to Rs.20000	19.17
	Rs.20001 to Rs.30000	28.33
	Above Rs.30000	5.00
Type of Bank	Public sector bank	59.17
	Private sector bank	18.33
	Both	22.50
Type of account maintained	Current account	9.17
	Savings account	80.0
	Fixed deposit	2.5
	Recurring deposit	0.83
	Savings account & Fixed deposit	6.67
	Savings account & Recurring deposit	0.83
Type of account holder	Single	74.16
	Joint	11.67
	Both	14.17
Joint Account holders	Spouse	29.03
	Son/father	41.94
	Brothers	9.68
	Business partner	19.35
Duration of account maintained	Less than 5 years	61.67
	6-10 years	20.83
	11-15 years	15.83
	Above 15 years	1.67
Mode of Withdrawal	Cheque	0.83
	ATM Card	76.67
	Cash withdrawal form	4.17
	ATM Card & Cheque	4.17
	ATM Card & Cash withdrawal form	14.16
Number of Cards Maintained	One	51.67
	Two	32.50

	Three	15.00
	More than three	0.83
Period of usage of ATM cards	Less than 3 years	61.67
	4-6 years	27.50
	7-9 years	10.00
	Above 9 years	0.83
Operating person of the card	Self	79.16
	Representative	6.67
	Family members	6.67
	Spouse	7.50
Purpose of Usage of ATM Card	Cash withdrawal	70.83
	Request for the statement of accounts	2.50
	Bill payment	3.34
	Cash withdrawal & Request for the statement of accounts	10.00
	Cash withdrawal & Bill payment	2.50
	Cash withdrawal & Online shopping & payment	9.17
	Cash withdrawal, Request for the statement of accounts & Online shopping & payment	0.83
	Cash withdrawal, Bill payment & Online shopping & payment	0.83
Number of times of operation	Less than 2 times	41.67
	3-4 times	25.83
	5-6 times	18.33
	More than 6 times	14.17
Amount of withdrawal at one time	Below Rs.3000	55.83
	Rs.3001-Rs.6000	10.84
	Rs.6001-Rs.9000	25.83
	Above Rs.9000	7.50
Availability of SMS Alert	Yes	94.17
	No	5.83
Essentiality of SMS Alert facility for every transaction	Yes	93.33
	No	6.67
Reason for preference of SMS Alert	Acknowledgement of transaction	39.17
	Serves as a short statement of account	32.50
	Future reference	28.33
Satisfactory Level	Locational aspect of ATMs	(493) I
	Number of ATMs	(486) II
	Sufficient number of machines in busy place	(453) X
	Safety, security and privacy	(473) IV
	The service quality/ behaviour of ATM guard	(465) VI
	Minimum limit of withdrawal	(455) VIII
	Maximum limit of withdrawal	(443) XI
Cash availability in ATMs	(483) III	

	Promptness/correctness of cash withdrawal	(443) XI
	Quality of currency notes	(473) IV
	Prompt ATM machine operation	(454) IX
	Availability of power backup/generator/inverter	(456) VII
	Complaint book availability	(385) XIII
Problems	Lack of security	(900) I
	Machine out of cash	(668) II
	Crowd in peak hours	(666) III
	Non-availability of required number of machine	(658) V
	High minimum balance required for using ATM card	(659) IV
	Restrictions on withdrawal	(558) X
	Problem in operation	(653) VI
	Lack of required denomination of currencies	(639) VII
	Card gets blocked	(618) VIII
	Wrong statement in the slip	(581) IX

SUGGESTION

Even though various facilities offered by the banks, there are some problems notified by the respondents such as privacy during making transaction, security measures, crowd in busy hours and lack of ATM service in rural areas. The bankers must take necessary actions to overcome these problems in order to retain the customers with high satisfaction.

CONCLUSION

In the present scenario, the service provider has to understand the customer expectations and preferences in order to take the benefit of stiff competition. In order to overcome the marketing competition, the service provider must differentiate them from other through offering high quality services for retaining the existing customer and to

mop-up the new customers. The customers are very much concerned about safety and privacy of transaction carried out in ATM Centres. The bankers must ensure the safety transaction and initiate some more ATM centres to meet the customer's expectation.

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