

AWARENESS OF PRODUCTS AND SERVICES OFFERED BY COIMBATORE DISTRICT CENTRAL COOPERATIVE BANK

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Abstract: *Financial liberalization and technology revolution have allowed the developments of new and more efficient delivery and processing channels as well as more innovative products and services in banking industry. Information and communication technology has become the heart of banking sector, while banking industry is the heart of every robust economy. E-banking implies provision of banking products and services through electronic delivery channels. Today things are changing very fast and it is very high time for each bank to understand the expectations of the customers. Customer satisfaction and service quality are inter-related. The higher the service quality, the higher is the customer satisfaction. The present study considered 120 customers of Coimbatore District Central Cooperative Bank (CDCCB). This paper made an attempt to know the level of awareness about the services provided by CDCC Bank and suggest suitable measures. The study revealed that respondents have selected this bank on account of "Interest rate on deposit" followed by Nearness to home, Low cost of services, Interest rate on loans, Easy repayment facility, Nearness to working places, Behavior of the staff members, Easy processing, Safety and security, Availability of various schemes of loan facility, Convenient timing. Majority of the customers are with medium level of awareness on products and services offered by CDCC Bank. There exists significant association between the selected physiological variables like gender, status in the family and the level of awareness on the banking product and services offered by CDCC Bank.*

Keywords: *Awareness, customers, products and services.*

Introduction:

Banking institutions across the globe have recognized the importance of customer satisfaction and developing and maintaining long-term relationship with their customers. At the same time, several banking institutions are experiencing increasing level of retail customer dissatisfaction. Research suggests that customer dissatisfaction is still the major reason of bank customers' switch to other banks. This dissatisfaction could be of a variety of reasons. Mainly customer's awareness is important in various schemes offered by the banks. Information Technology offers a chance to banks to build new systems that address a wide range of customer needs. E-banking is the waves of the future. It provides enormous benefits to consumers in terms of ease and cost of transactions, either through internet, telephone or other electronic delivery channels. For many consumers, electronic banking means 24-hours access to cash through an e-banking service media such as Automated Teller Machine (ATM), internet banking, mobile banking and debit and credit card. But electronic banking now involves many different types of transactions. E-banking is a form of banking where funds are transferred through an exchange of electronic signals between financial institution, rather than exchange of cash, cheques or other negotiable instruments.

Review of Literature:

Dr. Snehal Kumar H Mistry (2013), For the data collection, sample of 120 customers who have their bank account with different banks having operations in Surat city on convenience basis. Thereafter, the questionnaire was administered to customers for giving their response on banks service quality. Service qualities of private and public banks were measured by using SERQUAL method. The result of this study provides evidence that the SERQUAL dimensions are useful tool to predict over all service performance of banks. In this paper we have found that a customer gives highest importance to reliability dimension. Within that reliability dimension they give more focus on how banks fulfill their promise and how they show interest to do work. From Analysis it was found that a customer gives second importance to responsiveness of bank employees. It includes various criteria like, promptness in giving service, willingness to help customers etc. Customer gives third preference to assurance factor, it include criteria like safety of transaction, consistency in service etc.

R. A. Gbadeyan And O. O. Akinyosoye – Gbonda (2011) The instrument contained 36 items and was administered to about 360 respondents. The statistical techniques used for the analysis were the Chi-Square and correlation. The Chi-Square analysis revealed that the quality of e-banking services offered by banks have significant influence on their customers at 95%, 3 degree of freedom. The paper recommends that various measures should be put in place to ensure more security such as installation of encrypted software, verification system of customer's identification cards, frequent change of password, examining test questions and using mixed password such as the use of alphanumeric amongst others. The paper concludes that e-banking has become important phenomenon in the banking industry and it will continue as more progress and innovations are made in information technology. Improved Internet connectivity is very essential for the success of e-banking. The banking industry therefore, needs to ensure regular Internet connections with sustained power supply for this objective to be achieved;

Objective of the study:

1. To identify the reason for selecting CDCC Bank.
2. To assess the level of awareness on plans offered by CDCC Bank.

3. To determine the factors influencing their level of awareness.

Methodology:

The study basically depends on primary data collected through questionnaire from 120 CDCC Bank customers by adopting convenient sampling technique. Data was analyzed using T-test, ANOVA, Chi-Square test and Garratt Ranking.

Limitation of the study:

The study relied on the opinion of CDCC Bank (Head office) customers only. Caution may be taken while generalization the results.

Findings of the study

Reasons for Selecting CDCC Bank.

A customer may have various reasons to choose CDCC Bank. The prime reason for choosing CDCC Bank to identify using Garratt Ranking.

Table 1: Reasons for Selecting CDCC Bank - Garrett Ranking

Variables	Total Garrett score	Average Score	Rank
Nearness to home	6628	55.23	2
Nearness to working place	5968	49.73	6
Interest rate on deposits	6650	55.42	1
Interest rate on loans	6152	51.27	4
Low cost of services	6291	52.43	3
Easy repayment facility	6046	50.38	5
Safety & security	5756	47.97	9
Behavior of the staff members	5938	49.48	7
Easy processing	5763	48.03	8
Convenient timing	5378	44.82	11
Availability of various schemes of loan facility	5430	45.25	10

Table 1 reveals that respondents have selected CDCC Bank due to its "Interest rate on deposits" followed by Nearness to home, Low cost of services, Interest rate on loans, Easy repayment facility, Nearness to working places, Behavior of the staff members, Easy processing, Safety and security, Availability of various schemes of loan facility, Convenient timing. Hence the influence that the customers have given the best preference to interest rate on deposit.

Level of awareness

Awareness Index is computed to ascertain the level of awareness of the CDCC Bank respondents on the products and services offered by CDCC Bank. Thirty three products and services are considered for the present study. The response is rated on three point scale and answer the question range from three to one. Thus the maximum score is 99. The mean awareness is 74 and the standard deviation is 6. The score up to 68 is categorized as low; the score from 69 to 79 is categorized as medium and the score 80 and above is categorized as high.

Table 2 Level of Awareness

LEVEL OF AWARENESS	NUMBER OF RESPONDENTS	PERCENTAGE
Low	14	12
Medium	83	69
High	23	19
Total	120	100

Table 2 shows that 14(12 per cent) respondents have low level of awareness, 83(69 per cent) respondents have medium level of awareness and 23(19 per cent) respondents have high level of awareness on the CDCC bank products and services.

Factors influencing Level of Awareness

Independent T- Test.

Independent T test is carried out to know whether there exist a significant difference between selected variables – Gender, Marital status and Type of family, status in family and the level of awareness.

Ho: There is no significant difference between the selected personal variables and awareness.

Table 3: Selected Personal Variables and Level Of Awareness.

variables		N	Mean	T	Sig.
Gender	Male	71	2.1127	.898	.371
	Female	49	2.0204		
Marital Status	Married	114	2.0702	-416	.679

	Unmarried	6	2.1667		
Type Of Family	Joint	23	2.1304	.534	.595
	Nuclear	97	2.0619		
Status In Family	Head	75	2.0800	.127	.899
	Member	45	2.0667		

Source: Primary Data

Table 3 reveals that there does not exist a significant difference between the select variables gender, Marital status, status in family and awareness on the CDCC bank products and services.($p>0.05$)

Analysis of variance (ANOVA)

ANOVA test is carried out to know whether there exist a significant difference between selected variables – Area of residence, age, Educational qualification, Occupation, Respondent monthly income, Family monthly income, Family monthly expenditure, family monthly savings- and the level of awareness.

Ho: There does not exist a significant difference between the selected personal variables and level of awareness.

Table 4: Selected personal variables and Level of Awareness (ANOVA)

Variables		N	Mean	F	Sig.
Area Of Residence	Rural	34	2.0588	1.659	.195
	Semi-urban	29	1.9310		
	Urban	57	2.1579		
	Total	120	2.0750		
Age	Below 35	15	2.0000	.287	.751
	35-50	95	2.0947		
	Above 50	10	2.0000		
	Total	120	2.0750		
Educational Qualification	Up to primary	40	2.2000	1.807	.117
	Hr. Sec .level	40	1.9500		
	Diploma	8	1.8750		
	Graduate	13	1.9231		
	Post graduate	17	2.2353		
	Professionals	2	2.5000		
	Total	120	2.0750		
Occupation	Agriculturist	32	2.0625	1.081	.374
	Employee	53	2.1698		
	Businessman	13	2.0000		
	Professional	6	2.0000		
	Retired	6	1.6667		
	House wife	10	2.0000		
	Total	120	2.0750		
Respondent Income	UP to Rs. 3,000	3	2.3333	.336	.716
	Rs3,001 – Rs.18,899	100	2.0700		
	Above Rs.18,899	17	2.0588		
	Total	120	2.0750		
Family Income	UP TO Rs 5,000	9	2.1111	1.525	.222
	Rs 5,001-Rs 20,999	86	2.0233		
	Above Rs. 20,999	25	2.2400		
	Total	120	2.0750		
Family Expenditure	UP TO Rs 3,100	13	2.0769	.097	.908
	Rs. 3,101 – Rs. 18,899	92	2.0652		
	Above Rs. 18,899	15	2.1333		
	Total	120	2.0750		
Family Savings	UP TO Rs. 1,000	47	2.1915	2.941	.057
	Rs.1,001 – Rs. 8,300	56	1.9464		
	Above Rs. 8,300	17	2.1765		
	Total	120	2.0750		

Table 4 reveals that among the personal variable selected there does not exist a significant difference between the selected variables namely area of residence, Age, educational qualification, Occupation, Respondent monthly income, Family monthly income, Family monthly expenditure, family monthly savings- and the level of awareness on CDCC Bank product and services.($p>0.05$).

Chi- Square Test

Chi square test is carried out to know whether there exist a significant association between selected variables – Area of Residence, Gender, Age, Marital Status, Type of Family, Educational qualification, occupation, Family expenditure, Family Monthly Savings status in the family and level of awareness on the Banking Product and service.

Ho: There does not significant association between the selected personal variables and level of awareness.

Table 5 Selected personal variables and level of awareness (Chi-square test)

variables		Level of awareness			N=120	X ²	'p' Value
		Low n= 14	Medium n=83	High n=23			
Area Of Residence	Rural	2(5.9)	28(82.4)	4(11.8)	34	8.517	.074
	Semi urban	7(24.1)	17(58.6)	5(17.2)	29		
	Urban	5(8.8)	38(66.7)	14(24.6)	57		
Gender	Male	4(5.6)	55(77.5)	12(16.9)	71	7.621	.022**
	Female	10(20.4)	28(57.1)	11(22.4)	49		
Age	Below 35	3(20.0)	9(60.0)	3(20.0)	15	7.022	.135
	35-50	8(8.4)	70(73.7)	17(17.9)	95		
	Above 50	3(30.0)	4(40.0)	3(30.0)	10		
Marital Status	Married	14(12.3)	78(68.4)	22(19.3)	114	.941	.625
	Unmarried	0(0.0)	5(83.3)	1(16.7)	6		
Type Of Family	Joint	4(17.4)	12(52.2)	7(30.4)	23	3.872	.144
	Nuclear	10(10.3)	71(73.2)	16(16.5)	97		
Educational Qualification	Up to primary	3(7.5)	26(65.0)	11(27.5)	40	19.256	.37
	Hr. Sec. level	4(10.0)	34(85.0)	2(5.0)	40		
	Diploma	1(12.5)	7(87.5)	0(0)	8		
	Graduate	4(30.8)	6(46.2)	3(23.1)	13		
	Post graduate	2(11.8)	9(52.9)	6(35.3)	17		
	Professionals	0(0.0)	1(50.0)	1(50.0)	2		
Occupation	Agriculturist	4(12.5)	22(68.8)	6(18.8)	32	12.594	.247
	Employee	4(7.5)	36(67.9)	13(24.5)	53		
	Businessman	1(7.7)	11(84.6)	1(7.7)	13		
	Professional	1(16.7)	4(66.7)	1(16.7)	6		
	Retired	3(50.0)	2(33.3)	1(16.7)	6		
	House wife	1(10.0)	8(80.0)	1(10.0)	10		
Respondent Income	UP to Rs. 3,000	0(0.0)	2(66.7)	1(33.3)	3	1.777	.777
	Rs3,001 – Rs.18,899	11(11.0)	71(71.0)	18(18.0)	100		
	Above Rs.18,899	3(17.6)	10(58.8)	4(23.5)	17		
Family Income	UP TO Rs 5,000	1(11.1)	6(66.7)	2(22.2)	9	6.380	.172
	Rs 5,001-Rs 20,999	10(11.6)	64(74.4)	12(14.0)	86		
	Above Rs. 20,999	3(12.0)	13(52.0)	9(36.0)	25		
Family Expenditure	UP TO Rs 3,100	1(7.7)	10(76.9)	2(15.4)	13	4.237	.375
	Rs. 3,101 – Rs. 18,899	10(10.9)	66(71.7)	16(17.4)	92		
	Above Rs. 18,899	3(20.0)	7(46.7)	5(33.3)	15		
Family Savings	UP TO Rs. 1,000	3(6.4)	32(68.1)	12(25.5)	47	6.472	.167
	Rs.1,001 – Rs. 8,300	9(16.1)	41(73.2)	6(10.7)	56		
	Above Rs. 8,300	2(11.8)	10(58.8)	5(29.4)	17		
Status In The Family	Head	5(6.7)	59(78.7)	11(14.7)	75	9.008	.011**
	Member	9(20.0)	24(53.0)	12(26.7)	45		

Table 5 reveals that among the selected variables (gender and status in the family) have significant association with the level of awareness on the Banking products and services offered ($p < 0.05$). whereas there does not have a significant association between selected personal variables namely area of residence, age, marital status, type of family, educational qualification, occupation, respondent monthly income, family monthly income, family monthly expenditure, family monthly savings and level of awareness on the Banking Product and services offered ($p > 0.05$).

Conclusion:

The present study found that majority of the respondents have medium level of awareness on the products and services offered by CDCC Bank. Among the selected socio economic variables the gender and status in the family have significant association with products and services awareness.

References

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