

Customers Perception And Satisfaction On The Quality of Services Offered By The Pondicherry State of Cooperative Banks

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Abstract:- A cooperative bank is financial body which fit into its members, who are the same while the owners and the customers of their bank. Coperative banks were often created by person residing at the same local or professional community or sharing comman concern . For thedevelopment of their performance or quality of service, the bank should be banks should measure how their products and services met or go beyond customers expectations . As the banking industry is undergoing tremendous competition, i.e. quality of service will help organisations to create interest and motivate customers to buy their goods and services. Organisations are making significant efforts to enhance their service quality and have adopted a more specialised technique to address customers.

This paper attempts to study customer perception and satisfaction of service quality in the Pondicherry state cooperative banks.Responses of 90customers were randomly selected for knowing their experience with the bank. The analysis showed that the customers of the bank were highly satisfied with banking services and attitude of the employees,but the findings indicate that the dissatisfaction towards the less technological advancements.

I. INTRODUCTION

India is an agricultural based country, and its 70% population stay in the rural area. The cooperatives which are the life lifeblood of the Indian economy and the mechanism for any developmental programs. Especially in any agriculture dominated rural sector, cooperative banks play a vital role in enhancing the common individual and financing his business and personal needs. The cooperative credit structure is serving Indian society since 1904, and since then it has seen quite a lot of ups and downs. The increase in the level of agricultural loans granted by the cooperative banks positively influence the development of agriculture in India.

Co-operation means voluntary association by equality and for some common purpose. In the word of H. Calvert, "co-operation is a form of organisation wherein persons voluntarily associate together as human beings by equality for the promotion of their economic interest". A cooperative bank is a co-operative society registered either under the central act,multi-unitco-operative societies act or under a state act governing co-operative societies and carrying on banking business.

The co-operative bank will notfollow the goal of profit maximisation. So these banks do not concentrateon offering more than the basic banking services and funding finance to small debtors in industrial and trade sector besides professional and salary classes.

Co-operative banks are intensely rooted inside local areas and communities. They are involved in

localenlargement and contribute to the sustainable development of their peoples, as their members and management board generally belong to the communities in which they exercise their activities. Assistance to the farming community will strengthen agriculture and pave the way to raise agricultural production.

Customer satisfaction

Level of customer satisfaction will vary from person to person.As the banking industry is undergoing tremendous competition, i.e. Quality of service will help organisations to create interest and motivate customers to buy their goods and services. Organisations are making significant efforts to enhance their service quality and have adopted a more specialised technique to address customers.

To establish a competitive position, banks must calculate and determine their level of service quality, if they desire to keep their consumers intact and satisfy their needs by continuously upgrading and improving their services at regular intervals. Goodservice should fulfil the customers' requirements, expectations and satisfaction. Customers play a vital role about the perception of effect on quality of service delivered by the banks. Service quality is necessary for the competitive strategy to hold customer base. Service quality plays a major role in getting customer satisfaction. Banks are trying hard to earn customer satisfaction by providing better quality services. For the improvement of their performance of service quality, banks should measure how their products and services meet or exceed customer expectation.

Based on that the bank should improvise their quality service to the customers.

Statement of the problem

The banking industry is undergone rapid changes, followed by a series of fundamental developments due to liberalisation and deregulation of trends. Quality is the important factor which leads to development banks. A lot of recent services are improving the satisfaction of customers. Especially rural customers are entering into cooperative banks with a lot of expectation. Sometimes there may be a success or failure. So this study is an attempt to understand the quality service of The Pondicherry State Cooperative Bank.

Objectives of the study

- To analyse the satisfaction level of customers and quality of services offered by the Cooperative Banks
- To determine the major factors that are influencing the customers to opt this bank.

2. REVIEW OF LITERATURE

N. A. Kavitha and M. Muthumeenakshi (2016) have studied the satisfaction level of the services of co-operative banks location to Ranipet service co-operative banks. Responses of 100 customers of the co-operative bank were randomly selected for knowing their experience with the bank. It shows that the customers of the bank were highly satisfied with their services and attitude of the employees but they show of their dissatisfaction towards the less technological advancements. This article showed a positive opinion toward the service of the bank and the attitude of employees for rendering services. But paralleled to other private and public banks, co-operative banks slight bit poorer in the acceptance of technology and modern equipment. Generally the co-operative banks will adopt more and modern technologies for facing competition and make their services more qualitative one.

O. Bhavani and K. V. N. Sandhya (2009) in his article titled "Customer's Perceptions on Banking Services of SBI" analysed the customer's perceptions about several traditional and modern services offered by SBI in common as a customer friendly organisations, providing a varied range of products and excellent services as per their convenience. SBI is serving to millions of customers both in the country and abroad having its branches spread all over the country with many customer-friendly products and services. Against the total sample size of 400, 292 of the customers are satisfied with the services rendered by the bank and majority of the customers acknowledged the

fact that the bank officials are courteous towards them.

Usha Lenha, Damodar Sugar and Pratab K. J., Mohapatta 108 (2009) "Service Quality, Customer Satisfaction and Customer Loyalty in Indian Commercial Banks" This article examines whether service of Indian Commercial Banks increases customer satisfaction that fosters customers' loyalty. Data were gathered from 350 valued customers of scheduled commercial bank branches in Orissa. A questionnaire elicited information on socio-demographic variables besides with human, technical and tangible aspects of service quality, customer satisfaction and loyalty. Outcomes suggest that better, human, technical and tangible aspects of service quality of the bank branch increase customer satisfaction. Human aspects of service quality were identified to influence customer satisfaction more than the technical service quality of the banks. They overshadow the technical parts in satisfying and retaining the customers. In the Indian banking scenario, human aspects are more significant than technical and tangible aspects of service quality that makes the customer satisfaction and promote and enhance customer loyalty.

A. J. Joshua and Moli P. Koshi (2005) examined the service quality aspects of some leading banks in the coastal Karnataka Districts of Dakshinakannada and Udupi and found that the ICICI Banks performed better than the other selected banks in providing quality service. They concluded that the service quality dimensions of the new generation banks are better than the from the past generation banks in the region selected for the study.

Archana Mathur (1988) in her article "Customer Service in Public Sector Banks - A Comparative Study" emphasised the sole intention of raising banks in the study" emphasised the sole intention of raising banks is the standard of quality of customer service. The study reveals that consciousness towards customer service is increasing at all levels.

3. RESEARCH METHODOLOGY

This study is based on primary and secondary data. The primary data have been collected through a well-designed questionnaire prepared and directly administered to the respondents. Secondary data have been collected through published text books, journals, reports, published thesis etc.. The secondary data also collected through online sources.

Research sampling

In this study, the predetermined objectives have been focused; the relevant data have been collected

through the structured questionnaire. The researcher has taken the sample size from the larger population i.e. as per census report the total population of Puducherry is 12, 47,953. So based on that the researcher has selected the respondents by simple random sampling method. The percentage analyse was made in this study.

Limitation of the study

The present study is confined only to Puducherry. Further, the study is confined only to Cooperative banks, and hence the outcome cannot be generalised, and the study is restricted only to a specific period. The study may have some biased opinion as the respondents may have their own perception, interest, taste and like that is inevitable in the study, and also Satisfaction level may vary from person to person

Findings:

- ❖ From this study 76 respondents were male, 24 respondents were female in that 32 respondents were farmers.
- ❖ The researcher found that 80% of the respondents belong to the age group of above 40 years only.
- ❖ To do the banking transaction respondent's (i.e. 94%) most preferred mode of the transaction is a personal visit to the bank.
- ❖ Based on the data, respondent's main purpose of opening account in this bank is to avail credit facility (86%) i.e. for getting a loan at lower rate of interest
- ❖ About 85% of the respondents were dissatisfied in the technology advancement of the bank.
- ❖ The researcher found that most of the respondents were satisfied with the basic banking operations like deposits, withdrawals, cheque related operations etc.
- ❖ About 76% of the respondents were happy with loan procedures, the interest rate on loans and the time taken to sanction the loan amount.
- ❖ The data shows that the service charge is affordable for all banking services, even the low-income group people felt the same thing.
- ❖ Majority of the respondents (83%) are highly satisfied with the employees attitude towards them.
- ❖ The facilities that are provided by the bank were moderately satisfied among the respondents, like infrastructure facilities, locational advantage, banks working hours etc.
- ❖ Through this study, the researcher found that the customer service support have the highly satisfied majority of the respondents (78%).
- ❖ The major factor that influenced the respondents to choose this bank is low rate of interest for loans (49%), the range of product

and services (27%) and operational simplicity (34%).

Suggestion

- ❖ The bank should be updated with the modern electronic banking facilities like internet banking, E-Banking, mobile banking which may attract and comfort new generation users.
- ❖ The customers should be provided with more modern facilities like ATM (Automated Teller Machine), CDM (Cash Deposit Machine), Passbook Printers etc.
- ❖ The bank should also come up with new services and products so that the youngsters also would be attracted.
- ❖ Since the customers are not updated with the new products and services provided by the bank, call service or toll-free numbers can be provided so that the customers will be well informed about the activities of the bank.
- ❖ Various awareness programs can also be conducted to make the customers to be aware of bank's new services.

Conclusion

Co-operative bank is playing a vital role in the Indian Banking System. We have conducted a study on customer perception and satisfaction of service quality measurements in Puducherry state Co-operative Banks. On the result of analysis of the study, it can be concluded that the people under the low-income category are the main service takers of the cooperative banks but they are comfortable with the service rates. But compared to other private and public banks, co-operative banks little bit poorer in the implementation of technology and modern equipment. Increasingly the co-operative banks should adopt more and modern technologies for facing competition and make their services more qualitative one.

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