

**A study on Customers Satisfaction of ATMs Services
In Mayiladuthurai Town**

Part -1 (Business, Economics & Statistics)

Chapter-II

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Abstract: Indian economy has flourished with the advent of Liberalisation, Privatisation and Globalisation. Banking sector is not an exception too. These reforms have presented a challenge before Indian banking sector to shake hands with the pace of new technology. Electronic banking is the new trend significantly adopted by banking sector worldwide due to its wider scope for the customers as well as banks at large. The electronic money is likely to become the ultimate medium of exchange replacing cash and cheque for almost all transaction in the global place. The ATM card is useful to a cardholder as it helps him to withdraw cash from bank even they are closed. This card permits customers to access transaction are savings account 24 hours a day, every day of the year through automated teller machines (ATM). Electronic currencies more in multiple channels in global networks in the internet banking channels. It is preferred that payments be verifiable off-line without the bank's involvement for reasons of cost effectiveness and speed. E- Cash is extremely easy to use, very fast, quite cheap to transfer and extremely convenient in time since there is no physical movement of cash or cheque across the world.

KEYWORDS: ATM- Credit Card- Debit Card-E-cash

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INTRODUCTION :

The development in banking brought about a second phase in payment system, through paper instruments namely cheque and credit transfers. The requirement for greater flexibility and convenience and development of technology has given rise to electronic payments and this is where plastic cards (ATM) have been provided. Bank cards are generally defined as any card issued by a bank, that access a customer's financial resources. The Indian ATM (Automated Teller Machines) Industry has seen an explosive growth in recent times. ATMs represent the single largest investment in the electronic channel services for the banks. ATM's have made hard cash just a second away all throughout the day at every corner of the globe. Over the last few years, the awareness of ATM debit card and credit card its applications have gradually increase among the potential users in India significant growth has taken place in wireless, cellular applications, retail loyalty applications, and driving license and vehicle registration applications, several pilot projects have been implemented for multi application campus cards, banking ID, automatic fare collection, toll & healthcare etc. A debit card, like an ATM card, directly accesses a customers checking or saving account. To the customer a debit card acts more like a check than a credit card. Debit cards are becoming widely accepted at merchant locations. Debit card, an electronic product has become more and more popular in countries. It is a special plastic card connected with electromagnetic identification that one can use to pay for things purchase directly from his bank account. Hence, modern era has brought progressive change in banking industry as a whole which is resulted from disintermediation process and information technology.

Meaning of Credit Card and Debit Card:

Credit Card: Credit card is a small plastic card that allows its holder to buy goods and services on credit and to pay at fixed intervals through the card issuing agency. It is a normal card whereby a holder is able to purchase without having to pay cash immediately. Generally a unit is set to the amount of money a cardholder can spend a month using the card. Interest is charged for the outstanding amount which varies from to the 36% per annum.

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Debit Card:

A Debit card is a card that has direct access to our bank account. The card is issued by our bank. Whenever we use out debit card, over bank account is detected immediately. In like credit cards, we don't enjoy and credit period and therefore the debit card does not have a minimum income eligibility criteria. Debit card, an electronic product, has become more and more popular in these countries.

Review of Literature:

In this attempt is made to give a brief review of literature. The literature available on this title is exhaustive members of the committees, business director involved in his field.

Puri and Kermath (2004) in their article, "Indian Banks: Bigger, Better & Remote Controlled", explained that banks in India have traditionally claimed the strength of their networks based on the number of branches. The logic was that the increase in branch network corresponds to more transactions, more business and therefore more profits. Not unlike the rest of Asia, where branch rationalization first started in Japan and then spread across the continent, this logic is steadily getting reversed in India.

Kaul Urashi (2007) In his article, "ATM: The Power of Cash", explained the importance and benefits of ATM, the players in the Indian market and presented various statistical data concerning the growth of ATM.

Manager FSDNCR Corporation India PVT Ltd (2008) in his article, "ATMS: Changing Fundamentals", stressed that the Indian ATM Industry has seen an explosive growth in recent times and banks have committed substantial capital outlays on ATM deployment, recognizing the significance of the 3 Ms – Maintenance, Manufacturing and Management – of the ATMS to make the self service channel a reliable and profitable one.

Statement of the Problems:

In this study an attempt is made to identify, the functioning of customers satisfaction to ATM service as the, customer is the king of the Bank.

Scope of the Study:

The Researcher is interested in knowing the level of customer satisfaction in ATM services provided at Mayiladuthurai Town. The selection of the area the in-depth study is vital to the customer satisfaction to ATM services, in Mayiladuthurai Taluk. It is one of the economically backward areas in Nagapattinam District the result would definitely reflect rural, semi urban & urban area people life style and customer satisfaction to ATM services.

Objectives of Study:

The project study on customer satisfaction of ATM services will be based on the research conducted among the various cardholders in Mayiladuthurai Town. The main objectives of the study are:

1. To study on customer awareness of ATM services.
2. To analyze the present ATM Facilities provided by banks.
3. To examine the factors affecting the choices of ATM
4. To examine the impact of ATM customer satisfaction by appraising the problems faced by the customers.

Hypotheses:

- There is no significant difference between Gender wise and marital status wise in ATM users.
- There is no significant difference in the factors affecting the choice of ATM and selecting the ATM card users.

Among regular users the correlation between the number of cardholder bought are effective commitment score is positive.

Methodology:

The research process was clearly defined to meet the objectives of the study. The logical analysis of various aspects of the data was made to arrive at the result of the study. The research process includes the following steps of the research pursuit.

Area of the Study:

The present study has chosen Mayiladuthurai town and neighboring areas.

Data Collection:

Primary data has been collected through questionnaire to the customers of ATM users in Mayiladuthurai Town Nagapattinam District, personal observations and discussions with the customers. This project examines the customer satisfaction level in the ATM services under study with special reference to problems faced, responses, about the fee charged and post purchase behavior of the customers after using ATM. The project also examines the relationship between various ATM facilities, factors affecting the choice of ATM and their interplay with customer satisfaction.

Period of the study:

The customer survey through personal interview are systematic sampling method has been carried out between Dec. 15th 2015 to Feb 25th 2016.

Frame work Analysis:

To facilitate the present task some of the basic statistical tools, mean, x2 test and Rank correlation.

Limitation of the study:

The sampling procedure used being the convenient sampling the analysis and findings would lack accuracy. The sample size is not very large owing to time constraint.

The following are limitations of the study:

- This survey results are applicable to Mayiladuthurai Town only
- The study has not covered all the ATM users of Mayiladuthurai Town.
- This study is limited to surveying only 50 respondents

DATA ANALYSIS AND INTERPRETATION

Table: 1 Age Structure of the Respondents

Sl. No	Age	Total no. of Respondents	Percentage
1	15 – 25	19	38
2	25 – 35	23	46
3	35 – 45	06	12
4	Above 45 year	02	04
Total		50	100

Source: Primary Data

The table 1 shows that, the age structure of the respondents. Out of total 50 samples, majority of the 46 percent of respondents comes under the age structure of 25-35 years. Then, 38 percent of respondent recorded under the are group 15-25 years and 12 percent in 35-45 years. The minority of 4 percent of the respondent belong the age group of above 45 years. Hence, most of the respondent (46%) comes under the age group of 25-35 years highly preferred the ATM card.

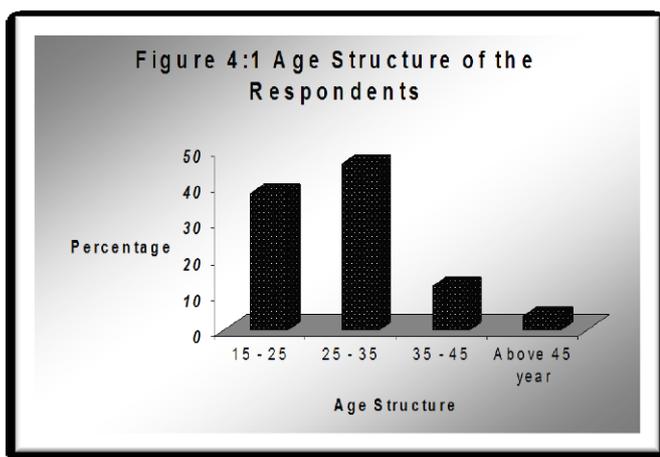


Table :2 Gender wise Classification of the Respondents

Sl. No	Gender wise Classification	Total no. of Respondents	Percentage
1	Male	28	56
2	Female	22	44
Total		50	100

Source: Primary Data

The table 2 clearly shows the Gender Wise classification of respondents. The maximum level of respondents is male calculated on 56 percent and the lowest level of respondents are female 44 percent. Hence, the male respondents are highly (56%) preferred to the ATM user.

Table: 3 Marital Status Wise Classification of the Respondents

SL. No	Marital Status Wise Classification	Total no. of Respondents	Percentage
1	Married	16	32
2	Unmarried	34	68
Total		50	100

Source : Primary Data

The table 3 clearly shows that, marital status – wise classification of respondents. The maximum level of 68% of the respondents are unmarried person and the lowest level of 32% of the respondents are married person. Hence the Unmarried respondents are highly (68%) preferred to the ATM cards in our studies.

Table 4 Nature of service offered along with the ATM Cards

SL. No	Nature of Service Along with the ATM Cards	Along With Card					Total no. of Respondents	Percentage
		Very Often	Often	Some time	Rarely	Never		
1	Cash / Cheque Deposits	-	-	-	-	-	-	-
2	Withdrawal of Cash	6	5	38	-	1	50	100
3	View Account Statement	-	-	-	-	-	-	-
4	Request a Cheque Book	-	-	-	-	-	-	-
Total							50	100

Source: Primary Data

The table 4 shows the nature of services offered along with the ATM Cards. Majority of preference is based on cash. Withdrawal facilities in 100 percent. Remaining other services don't answered the respondent the studies.

Table 5 Factors Influencing Selection of ATM Cards

SL. No	Factors Influencing the selection of ATM Cards	Scale					Total no. of Respondents	Percentage
		Very Important	Important	Very Relevant	Some What Relevant	Irrelevant		
1	Cash / Cheque Deposits	-	-	-	-	-	-	-
2	Withdrawal of Cash	20	21	03	04	02	50	100
3	View Account Statement	-	-	-	-	-	-	-
4	Request a Cheque Book	-	-	-	-	-	-	-
Total							50	100

Source : Primary Data

The table 5 shows the factors influencing selection of ATM cards. The majority of the 50 percent of respondents prefer on withdrawal of cash factors influencing the selecting ATM Cards among the respondents.

Table 6 Factors affecting the choice of ATM Cards

Sl.No	Factors Affecting the Choice of ATM Cards	Total No of Respondents	Percentage
1	Security & Trust	08	16
2	Speed in processing	23	46
3	Convenience in use	17	34
4	Example of other	-	-
5	Cost	02	04
Total		50	100

Source : Primary Data

Table 6 explain the factors affecting choice of ATM Cards. The maximum level of 46 percent of the respondent preferred in speed in processing factors. The next preference of 34 percent in convenience in use. The minimum level of 16 percent of the respondent response to the Security & Trust. The lowest level of 4 percent of the respondents in cost, basic factors. Therefore, the maximum level of 46 percentage of the respondents preferred only for speed on factors affecting the choice of ATM Cards.

Figure 4:13 Factors Affecting the Choice of ATM Cards

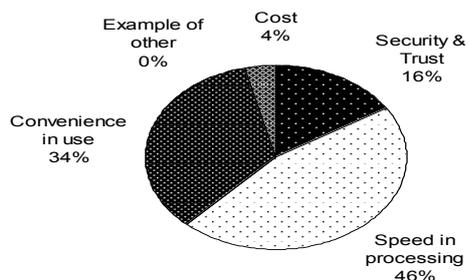


Table 7 Problem Encountered Using on ATM

Sl.No	Problem Encountered Using on ATM	Total no. of Respondents	Percentage
1	Wait in long queues	10	20
2	Inserting card incorrectly	05	10
3	Low Vision Option	07	04
4	Confusion in Different colour letters	02	04
5	Machine out of order	18	36
6	Machine out of cash	10	20
7	No printing statement	03	06
8	Any others	-	-
Total		50	100

Source : Primary Data

The table 7 reveals, the problems encountered using on ATM machine. The highest level of 36 percent of the respondents belongs machine out of order is the main problem of ATM machine. The preferred on 20 percent of the respondents wait in long queues and machine out of cash. Then 10 percent of the respondents preferred in inserting card incorrectly and 06 percent of the respondents in no pricing statement in ATM machine. The lowest level of 04 percent of the respondents. In low vision option and confusion in different colour letters. Hence, the highest level of (36%) of respondents preferred in machine out of cash in main problem of the ATM machines.

Hypothesis Testing-I (Results of Technical Analysis):

In this analysis based on some statistical tools viz., Arithmetic mean Chi – Square Test, Rank correlation were employed for the technical analysis of the customer satisfaction of ATM services. From the data given below gender wise classification of the respondents and marital wise status were observed.

The calculated χ^2 (0.7361< 3.84) value is less than the table value at 5% level of significance hence the Null Hypothesis is accepted is there is no difference between gender wise and martial status wise usage of ATMS.

Hypothesis Testing –II (Rank Correlation):

In this analysis used for the statistical tools on Rank correlation Arithmetic means for the Factors affecting the choice and selecting of ATM Cards with hypothesis testing. Analysis of Two variable in a hypothesis form of rank order. There is no different between affecting choice of ATM and factors influencing selecting cards. Rank Correlation = 0.5. There is calculate value less than 0.75 hypothesis is accepted. Hence, these is difference between factors affecting choice of ATM cards and selecting cards.

SUMMARY OF FINDINGS, SUGGESTION AND CONCLUSION FINDINGS:

- The most of the respondent (46%) come under the age group of 25-35 years highly prefer the ATM users.
- The male respondents (56%) prefer to the ATM card in the studies.
- The large number of (58%) of the respondents have P.G. degree educational level.
- The majority (94%) of the respondents, are familiar with the concept of ATM's.
- Majority (30%) of the ATM Cards are issued by SBI.
- The majority (100%) of the respondent preferred based on cash – withdrawal facility among the sample size.
- The majority of the 50 percent of respondents prefer on withdrawal of cash factors. influencing the selecting ATM Cards among the respondents.
- The maximum level of 46% of the respondents prefer only for on speed service factors affecting, the choice of ATM Cards.
- The maximum level of 78% of the respondents prefer in less than 5000 of the ATM card user withdrawing average amount in a month.
- The maximum level of 40% of the respondents knowing Banking facilities among the sample size.
- The maximum level of 36% of the respondents faced by the problems in machine out of order at ATM centre.
- The maximum level of 64% percentage of the respondents say the answer yes, after getting the withdrawing money.

SUGGESTIONS:

- All the banks to provide awareness programme for ATM card user's particularly how to use the cards how can you get it the money for the ATM machine.
- Some of the ATM cards transaction take longer time than the cash transaction because of various formalities,
- To properly provide the receipt while. sometimes ATM machine does not provide the receipt.
- The service of ATM is very easy to both literate and illiterate people. All the banks to provide have to improve the awareness of ATM user's and operation
- To provide tight security for the ATM centre and to given proper security guidance for the ATM centre securities

CONCLUSION:

The electronic money is likely to become the ultimate medium of exchange replacing cash and cheque for almost all transaction in the global place. Electronic cash can combine the benefit of traditional cash with those of payment by debit and credit card, while circumventing both their short comings. It is preferred that payments be verifiable off-line without the bank's involvement for reasons of cost effectiveness and speed. ATM Cards are also convenient that cash and customer is provided with a detailed record of transactions. Most of the problems have been mitigated and ATM Cards offer a profitable line of customer for the banking industry. An ATM customers can access their bank account in order to make cash withdrawals, credit card cash advances and check their account balances as well as purchase prepaid cell phone credit. Thus ATM's often provide the best possible exchange rate for foreign travellers and are heavily used for this purpose us well. Hence, the service of ATM is very easy to withdrawing money in very urgent situation, easy and fast access to money and also securable are trustable.

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