

**CUSTOMERS' AWARENESS OF THE CUSTOMER SERVICES PROVIDED BY
PUBLIC AND PRIVATE SECTOR BANKS IN THANJAVUR DISTRICT - AN
ANALYSIS**

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Abstract: The primary objective of this study is to assess customers' awareness of customer services provided by public and private sector banks in Thanjavur district. Descriptive and exploratory research methods were used to fulfil the research objective. Further, the multi-stage random sampling technique was used to identify the sample banks and sample respondents. In the study area, there are 8 public sector banks with 161 branches and 7 private sector banks with 83 branches in rural and urban areas. A total of 8 public and 7 private sector banks were treated as the population of the study. Further, due to time constraints, the researcher selected 30 branches for sample branches, i.e., each two branches from sample public and private sector banks (one from rural and another from urban). The simple random sampling technique was used to select the sample branches. The sample bank officials did not give the list of customers due to policy issues. Thus, the population of the study was considered unknown. Therefore, using simple random sampling techniques, every 10 customers from sample branches were determined as sample respondents. Hence, a total of 300 customers were used as sample customers. The result of the study reveals that irrespective of public and private sector banks, most of the sample customers have had accounts in the banks for 6 to 10 years, and they have accounts with banks for savings and loans. The sample customers' level of awareness of various customer services provided by public and private sector banks revealed that irrespective of the banks, the majority of the sample customers have a medium and low level of awareness. Further, the relationship between sample customer level of awareness about various customer services provided by banks shows that irrespective of banks, the customers' age, education, and occupation played a dominant role in their level of awareness.

Keywords: Customer Services, Customer Awareness, Public and Private Sector Banks.

1. INTRODUCTION

During the last three decades, the service industry in the world has remarkably increased. Many companies have started to provide a variety of customer services to retain their customers; in particular, the banking industry has entered into new phenomena. The banking sector in India has changed significantly after economic liberalisation. After the introduction of globalisation, the

Indian banking industry moved international market. Many foreign banks started to enter the Indian banking industry, and also Indian banks started to provide various types of customers services to attract customers like online banking, mobile banking, debit card, credit card, different kinds of loans, different kinds of deposits, SMS alerts, home banking, currency services, mutual funds, buying and selling of stocks and shares and more. These services aim to provide better and more convenient services to customers to retain and attract new customers.

2. STATEMENT OF THE PROBLEM

The Indian banking industry was moved to international standards after the introduction of globalisation. Among the service industry, the banking industry is one of the industries that customers meet daily. All types of banks in India provide different kinds of banking services to their customers. In particular, both public and private sector banks provide various customer services to attract and retain customers in the global competitive banking industry. However, the banks are faced with several problems while providing better and more convenient services to customers, like high cost of investment for ATM points, technological advancement, extra labour, high cost of machinery and others. At the same time, many studies found that the majority of bank customers in India are still not availed of all the customer services provided by banks, particularly in rural areas. Against this backdrop, this study has been conducted.

3. OBJECTIVE OF THE STUDY

The prime objective of this study is to identify the level of customer awareness of customer services provided by public and private sector banks.

4. RESEARCH METHODOLOGY

Descriptive and exploratory research methods were used to fulfil the research objective. Further, the multi-stage random sampling technique was used to identify the sample banks and sample respondents. In the study area, there are 8 public sector banks with 161 branches and 7 private sector banks with 83 branches in rural and urban areas. A total of 8 public and 7 private sector banks were treated as the population of the study. Further, due to time constraints, the researcher selected 30 branches for sample branches, i.e. each two branches from sample public and private sector banks (one from rural and another from urban). The simple random sampling technique was used to select the sample branches. The sample bank officials did not give the list of customers due to policy issues. Thus, the population of the study was considered unknown. Therefore, every 10 customers from sample branches were determined as sample respondents using simple random sampling techniques. Hence, a total of 300 customers was used as sample customers.

5. RESULTS AND DISCUSSION

Before assessing the sample customers' level of awareness of customer services provided by public and private sector banks, it is essential to know the demographic profile and bank-related information of sample customers. The sample customers' level of awareness of the use of customer

services provided by sample banks was analysed using five points scaling technique, i.e. very high, high, medium, low and very low. Further, the Multiple Linear Regression technique was used to analyse the relationship between demographic and bank-related variables of sample customers and their level of awareness about different types of customer services provided by banks. The analysis results are presented in the following Tables.

Table 1: Demographic profile and bank-related variables of sample customers

S.N	Particulars	Public sector banks	Private sector banks	Total
Demographic profile				
1.	Age			
	Upto 30 years	26 (16.25)	31 (19.38)	57 (19.00)
	31-40	41 (25.63)	50 (31.25)	91 (30.33)
	41-50	54 (33.75)	49 (30.62)	103 (34.34)
	Above 50 years	39 (24.37)	10 (6.25)	49 (16.33)
	Total	160 (100)	140 (100)	300 (100)
2.	Gender			
	Male	68 (42.50)	96 (68.57)	164 (54.67)
	Female	92 (57.50)	44 (31.43)	136 (45.33)
	Total	160 (100)	140 (100)	300 (100)
3.	Education background			
	No formal education	19 (11.88)	02 (1.43)	21 (7.00)
	School education	76 (47.50)	45 (32.14)	121 (40.33)
	Graduate	49 (30.62)	74 (52.86)	123 (41.00)
	Professional / Technical	16 (10.00)	19 (13.57)	35 (11.67)
	Total	160 (100)	140 (100)	300 (100)
4.	Occupation			
	Agriculturist and wage labour	79 (49.38)	22 (15.71)	101 (33.67)
	Government employee	21 (13.12)	12 (8.57)	33 (11.00)
	Private employee	39 (24.37)	28 (20.00)	67 (22.33)
	Business and professionals	11 (6.88)	64 (45.72)	75 (25.00)
	Others	10 (6.25)	14 (10.00)	24 (8.00)
	Total	160 (100)	140 (100)	300 (100)
5.	Income per month			
	Upto Rs.10,000	73 (45.63)	68 (48.57)	141 (47.00)
	Rs. 10,001 to Rs.25,000	70 (43.75)	61 (43.57)	131 (43.67)
	Rs.25,001 to Rs.40,000	10 (6.25)	5 (3.57)	15 (5.00)
	Above Rs.40,000	7 (4.37)	6 (4.29)	13 (4.33)
	Total	160 (100)	140 (100)	300 (100)
Bank related variables				

6. Number of years account hold with bank				
	Upto 1 year	10 (6.25)	12 (8.57)	22 (7.33)
	1 – 5 years	56 (35.00)	51 (36.43)	107 (35.67)
	6 – 10 years	75 (46.88)	72 (51.43)	147 (49.00)
	Above 10 years	19 (11.87)	5 (3.57)	24 (8.00)
	Total	160 (100)	140 (100)	300 (100)
7. Purpose of account hold with bank				
	Savings and Investments	55 (34.38)	25 (17.86)	80 (26.67)
	Loans and advances	58 (36.25)	61 (43.57)	119 (39.67)
	Business	35 (21.87)	44 (31.43)	79 (26.33)
	Others	12 (7.50)	10 (7.14)	22 (7.33)
	Total	160 (100)	140 (100)	300 (100)

Source: Compiled from primary source.

Figures in parenthesis are percentage to column total.

- The demographic and bank-related variables of sample customers reveal that irrespective of public and private sector banks; most customers are under the age group of 31-50 years. It may be due to the fact that the majority of the sample customers are wage labour and private employees.
- Most of the public sector banks' customers are female, and most of the private sector customers are male. It may be because the public sector banks provide microfinance services to women SHGs.
- The majority of the public sector bank customers have completed school-level education, and the majority of the private sector bank customers are completed graduation. Because the majority of the public sector banks' sample customers are wage labours and the majority of the private banks' sample customers are employees, doing business and professionals.
- The majority of the public sector banks' sample customers are wage labour and private employees. On the other side majority of the private sector banks' sample customers are private employees doing business and professionals.
- Irrespective of public and private sector banks, most of the sample customers have earned up to Rs.25000 per month. For the reasons that most of the sample customers are wage labour, private employees and doing micro and small business.
- Irrespective of banks majority of the sample customers have accounts with banks 6-10 years.
- Irrespective of banks majority of the sample customers have accounts with banks for savings and loans. It may be because most sample customers are wage labour, private employees and doing small business.

Table 2: Customers level of awareness of customer services provides by sample public and private sector banks

S N	Customer Services	Level of awareness	Public sector banks	Private sector banks
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1.	Payment services	High	42 (26.25)	48 (34.29)
		Medium	86 (53.75)	88 (62.86)
		Low	32 (20.00)	4 (2.86)
		Total	160 (100)	140 (100)
2.	Deposit service	High	29 (18.13)	41 (29.29)
		Medium	102 (63.75)	82 (58.57)
		Low	29 (12.12)	17 (12.14)
		Total	160 (100)	140 (100)
3.	Accounts services	High	38 (23.75)	25 (17.86)
		Medium	81 (50.63)	65 (46.43)
		Low	41 (25.62)	50 (35.71)
		Total	160 (100)	140 (100)
4.	Debit and Credit cards	High	29 (18.12)	38 (27.14)
		Medium	54 (33.75)	79 (56.43)
		Low	77 (48.13)	23 (16.43)
		Total	160 (100)	140 (100)
5.	Loans and advances	High	34 (21.25)	30 (21.43)
		Medium	64 (40.00)	54 (38.57)
		Low	62 (38.75)	56 (40.00)
		Total	160 (100)	140 (100)
6.	Online banking	High	24 (15.00)	36 (25.71)
		Medium	52 (32.50)	55 (39.29)
		Low	84 (52.50)	49 (35.00)
		Total	160 (100)	140 (100)
7.	Mobile banking	High	25 (15.63)	49 (35.00)
		Medium	59 (36.88)	71 (50.71)
		Low	76 (47.50)	20 (14.29)
		Total	160 (100)	140 (100)
8.	Securities services	High	8 (5.00)	19 (13.57)
		Medium	55 (34.38)	48 (34.29)
		Low	97 (60.62)	73 (52.14)
		Total	160 (100)	140 (100)
9.	Others	High	25 (15.62)	21 (15.00)
		Medium	39 (24.38)	37 (26.43)
		Low	96 (60.00)	82 (58.57)
		Total	160 (100)	140 (100)

Source: Compiled from primary source

Figures in parenthesis are percentage to column total

The sample customers' level of awareness about various types of customer services provided by public and private sector banks reveals that:

Payment services: Irrespective of public and private sector banks majority of the sample customers have a medium level of awareness of payment services provided by banks.

Deposit services: Irrespective of public and private sector banks majority of the sample customers have a medium level of awareness of deposit services provided by banks.

Accounts services: Irrespective of public and private sector banks, most sample customers have a medium level of awareness of accounts services.

Debit and Credit cards: Most public sector bank customers have low awareness of debit and credit card services. On the other side majority of the private sector bank customers have a medium level of awareness about debit and credit card services.

Loans and advances: Most public sector bank customers have a medium and low level of awareness about loans and advances service. On the other side majority of the private sector banks, customers have low and medium level awareness about loans and advanced services.

Online banking: Most public sector bank customers have low awareness of online banking services. On the other side, most of the private sector bank customers have a medium level of awareness about online banking services.

Mobile banking: Most public sector bank customers have low awareness of mobile banking services. On the other side, most of the private sector bank customers have a medium level of awareness about mobile banking services.

Securities service: Irrespective of public and private sector banks, the majority of the sample customers have a low level of awareness of the securities service provided by banks.

Other services: Irrespective of public and private sector banks, the majority of the sample customers have low awareness of other services provided by banks.

Hence, the analysis result reveals that irrespective of the bank, the majority of the sample customers have a medium and low level of awareness about the various customer services provided by public and private sector banks in the study area.

Table 3: Customers' level of awareness of different customers services provided by public and private sector banks - Multiple Linear Regressions

S.N	Variables	Public sector banks	Private sector banks
Demographic variables			
1.	Age	-2.841**	-2.903**
2.	Gender	0.257	1.711
3.	Education	2.921**	3.016**
4.	Occupation	2.866**	2.905**
5.	Income	1.254	2.015
Bank related variables			
6.	No. of years account held	0.894	-2.014
7.	Purpose of account held	-1.803	1.115
	N	160	140

	Constant	13.670	12.089
	R square value	0.569	0.578

Source: Computed from primary data

** Significant at 5 percent level.

PUBLIC SECTOR BANKS: The result of Multiple Linear Regression analysis shows that the variables gender, income, number of years account held with the bank and purpose of account held with the bank do not have any relationship with the sample customers' level of awareness about the various customer services provides by public sector banks. However, the variables age, education and occupation of sample customers have a relationship with their level of awareness of various customer services provided by banks. It means that the lesser age group, higher educated and doing business, and professional customers have a higher level of awareness about customer services provided by banks than other customers.

PRIVATE SECTOR BANKS: The variables gender, income, number of years account held with the bank and purpose of account held with the bank do not have any relationship with the sample customers' level of awareness about the various customer services provided by private sector banks. However, the variables age, education and occupation of sample customers have a relationship with their level of awareness of various customer services provided by private sector banks. The result identified that the lesser age group, higher educated and doing business and professional customers have a higher level of awareness about customer services provided by private sector banks than other customers.

6. CONCLUSION AND RECOMMENDATIONS

It can be concluded from the analysis that, irrespective of public and private sector banks, most of the sample customers have accounts in banks of 6 to 10 years and have accounts with banks for savings and loans. The sample customers' level of awareness of various customer services provided by public and private sector banks revealed that irrespective of the banks, the majority of the sample customers have a medium and low level of awareness. Further, the relationship between sample customer level of awareness about various customer services provided by banks shows that irrespective of the customers' age, education and occupation play a dominant role in their level of awareness. Hence, the following suggestions have been given.

1. The study result indicates that the lower age group, higher educated and higher level occupational customers only have a higher level of awareness about various customer services provided by sample public and private sector banks. Therefore, both banks should concentrate on this issue to attract and give awareness to all customers.

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