A Study on Customers Attitude towards the Core Banking Services offered by Banks in Madurai City

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ABSTRACT
The banking companies under core banking system have introduced many of the services like Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Electronic Clearance Service (ECS), Cheque Transaction, Cheque Collection, Clearing, ATMs, SMS banking, internet banking related to cash payments, transfer of funds, payment to utility bills, dividends and so on. An attitude can be defined as a positive or negative evaluation of people, objects, event, activities, ideas, or just about anything in your environment, but there is debate about precise definitions. The present study focuses on the Customer Attitude towards the Core Banking Services Offered by Banks in Madurai City. The scope of the study extents only to Madurai city limit only. So the respondents were selected from the said limit only. A person made a single transaction with bank is called customer. In this section an attempt has been made to analyse the attitude of customers towards core banking services in relation to personal factors such as age, education, occupation, income, social factor, type of accounts, expenditure, encouragement, awareness about services, savings and status of the family. The banks should also enhance its technological capabilities and continue to implement its core banking solutions plan. This connectivity will help to understand its customers better, manage its customer relationships and allow it to offer a large number of value added products and to sell its products more effectively.

Keywords: Services, satisfaction, accounts, banking and customer

INTRODUCTION
An attitude can be defined as a positive or negative evaluation of people, objects, event, activities, ideas, or just about anything in your environment, but there is debate about precise definitions. Eagly and Chaiken, for example, define an attitude "a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor." Core banking is the services provided by a group of networked bank branches.

Bank customers may access their funds and other simple transactions from any of the member branch offices. Core Banking is normally the business conducted by a banking institution with its retail and small business customers. Many banks treat the retail customers as their core banking customers, and have a separate line of business to manage small businesses. Larger businesses are managed via the Corporate Banking division of the institution. Core banking basically is depositing and lending of money.

SCOPE OF THE STUDY
The banking companies under core banking system have introduced many of the services like Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Electronic Clearance Service (ECS), Cheque Transaction, Cheque Collection, Clearing, ATMs, SMS banking, internet banking related to cash payments, transfer of funds, payment to utility bills, dividends and so on. The present study focuses on the Customer Attitude towards the Core Banking Services Offered by Banks in Madurai City.

OBJECTIVES OF THE STUDY
To investigate the attitude of the customers towards the core banking services offered by the banks in Madurai city. To offer suitable suggestions on the basis of findings of the study.

METHODOLOGY
Considering the nature of the topic taken for the research and data available from primary sources opinion study had been taken as the
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appropriate way to carry out the research work. The interview schedule had been framed accordingly. The suggestions and recommendations are emerged from the census study of the customers in the study area.

Sources of Data

The study is based on both primary as well as secondary data. In order to get information from banks and customers, the researcher contacts them with the help of an interview schedule. To supplement the study, secondary data is also collected from the Records of banks, Interviews given by CEOs and Bank Managers, Bank Manual, Magazines, online Editions, Reports of software companies, Reports of consultants, Journals and Newspapers.

Sampling Design

The scope of the study extents only to Madurai city limit only. So the respondents were selected from the said limit only. A person made a single transaction with bank is called customer. In the banking service it is very difficult to define the customer. Hence the researcher assumes deposit holder as a customer. In case of customers, the researcher adopts the cluster random sampling technique in choosing the respondents. The researcher contacted 120 customers from Madurai City.

Attitude of Customers towards Core Banking Services

In this section an attempt has been made to analyze the attitude of customers towards core banking services in relation to personal factors such as age, education, occupation, income, and social factor, type of accounts, expenditure, encouragement, and awareness about services, savings and status of the family. The attitude of customers towards core banking services has been rated by using five points scale namely very high (5 score), high (4 score), moderate (3 score), low (2 score), and very low (1 score). Table 1 indicates the ratings given by the respondents against the personal factors.

Table 1. Attitude of customers towards Core banking services in relation to personal factors

<table>
<thead>
<tr>
<th>Personal Factors</th>
<th>Very High</th>
<th>High</th>
<th>Moderate</th>
<th>Low</th>
<th>Very Low</th>
<th>Total</th>
<th>Score value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>175 (33.65)</td>
<td>194 (37.31)</td>
<td>48 (9.23)</td>
<td>92 (17.69)</td>
<td>11 (2.12)</td>
<td>520</td>
<td>1990</td>
<td>2</td>
</tr>
<tr>
<td>Education</td>
<td>195 (37.50)</td>
<td>164 (31.54)</td>
<td>81 (15.58)</td>
<td>48 (9.23)</td>
<td>32 (6.15)</td>
<td>520</td>
<td>2002</td>
<td>1</td>
</tr>
<tr>
<td>Occupation</td>
<td>182 (35.0)</td>
<td>153 (29.42)</td>
<td>66 (12.69)</td>
<td>90 (17.31)</td>
<td>29 (0.59)</td>
<td>520</td>
<td>1929</td>
<td>4</td>
</tr>
<tr>
<td>Income</td>
<td>192 (36.92)</td>
<td>155 (29.81)</td>
<td>55 (10.58)</td>
<td>104 (20.0)</td>
<td>14 (2.69)</td>
<td>520</td>
<td>1967</td>
<td>3</td>
</tr>
<tr>
<td>Social factor</td>
<td>23 (4.42)</td>
<td>25 (4.81)</td>
<td>146 (28.08)</td>
<td>233 (44.81)</td>
<td>93 (17.88)</td>
<td>520</td>
<td>1212</td>
<td>10</td>
</tr>
<tr>
<td>Type of accounts</td>
<td>99 (19.04)</td>
<td>134 (25.77)</td>
<td>153 (29.42)</td>
<td>121 (23.27)</td>
<td>13 (2.5)</td>
<td>520</td>
<td>1745</td>
<td>6</td>
</tr>
<tr>
<td>Expenditure</td>
<td>90 (17.31)</td>
<td>96 (18.46)</td>
<td>143 (27.5)</td>
<td>166 (31.92)</td>
<td>25 (4.81)</td>
<td>520</td>
<td>1620</td>
<td>7</td>
</tr>
<tr>
<td>Encouragement</td>
<td>50 (9.62)</td>
<td>58 (11.15)</td>
<td>132 (25.38)</td>
<td>221 (42.5)</td>
<td>59 (11.35)</td>
<td>520</td>
<td>1379</td>
<td>9</td>
</tr>
<tr>
<td>Awareness about services</td>
<td>177 (34.04)</td>
<td>140 (26.92)</td>
<td>88 (16.92)</td>
<td>100 (19.23)</td>
<td>15 (2.88)</td>
<td>520</td>
<td>1924</td>
<td>5</td>
</tr>
<tr>
<td>Savings</td>
<td>75 (14.42)</td>
<td>48 (9.23)</td>
<td>151 (29.04)</td>
<td>223 (42.88)</td>
<td>23 (4.42)</td>
<td>520</td>
<td>1489</td>
<td>8</td>
</tr>
<tr>
<td>Status of the family</td>
<td>26 (5.0)</td>
<td>14 (2.69)</td>
<td>140 (26.92)</td>
<td>244 (46.92)</td>
<td>96 (18.46)</td>
<td>520</td>
<td>1190</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Primary Data.

In the classification of age, out of 520 respondents, majority of them (37.31 per cent) were high attitude towards core banking services. It is followed by very high attitude (33.65 per cent) very low and low attitudes were found only less than 20 percent.

In the case of educational level, majority of them (37.50 per cent) were very high level attitude towards core banking services, followed by high level attitude (31.54 per cent). Very low level attitude was found only 6.15 percent.

Occupation-wise analysis showed that very high and high level of attitude was found to be 64.42 percent respondents. Very low level was found below one per cent (0.19 percent).Income-wise analysis indicated that very high and high level attitude was observed in high position and they were 36.92 per cent and 29.81 percent respectively.

In the case of social factor, very low and low level attitude was found high and it is accounted 44.81 per cent and 17.88 per cent respectively. Very high and high level attitude was found less than 5 per cent respectively.

Type of accounts-wise analysis revealed that majority of the respondents (29.42 per cent) were moderate level of attitude towards core banking services. It is followed by high level attitude (25.77 per cent) and low level attitude (23.27 per cent).Expenditure-wise analysis revealed that out of 520 respondents, large number of them (31.92 per cent) was low level...
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attitude followed by moderate level of attitude (27.5 per cent). In the case of encouragement, 43 per cent were low level attitude towards core banking services. It is followed by moderate level of attitude 25.38 percent. Awareness about services analysis revealed that 34.04 per cent were very high level attitude towards core banking services.

It is followed by high level attitude (26.92 per cent). Savings-wise analysis inferred that low level (42.88 per cent) and moderate level (29.04) of attitude were found high relating to core banking services.

Regarding the status of family, large number of the respondents (46.92 per cent) was low level of attitude towards the core banking services in the study area. It is followed by moderate level of attitude 26.92 percent. The score value has been calculated for each personal factors by using five point scale and the results are given in Table 1.

The analysis revealed that a highest total score was found in the category of education and it was ranked I among the personal factors. It indicates that the education has influenced the high level attitude of the respondents towards core banking services.

It is followed by the factor age, income, occupation and awareness about services which were ranked II, III, IV and V places respectively. The least score value was found in states of family and social factor which were ranked XI and X places. One sample test has been conducted and presented in Table 2.

Table 2. Rating towards core banking services – One sample test

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Personal factors</th>
<th>t</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Age</td>
<td>76.554</td>
<td>.000</td>
</tr>
<tr>
<td>2</td>
<td>Education</td>
<td>73.311</td>
<td>.000</td>
</tr>
<tr>
<td>3</td>
<td>Occupation</td>
<td>67.088</td>
<td>.000</td>
</tr>
<tr>
<td>4</td>
<td>Income</td>
<td>71.074</td>
<td>.000</td>
</tr>
<tr>
<td>5</td>
<td>Social factor</td>
<td>54.750</td>
<td>.000</td>
</tr>
<tr>
<td>6</td>
<td>Type of accounts</td>
<td>69.063</td>
<td>.000</td>
</tr>
<tr>
<td>7</td>
<td>Expenditure</td>
<td>60.523</td>
<td>.000</td>
</tr>
<tr>
<td>8</td>
<td>Encouragement</td>
<td>53.954</td>
<td>.000</td>
</tr>
<tr>
<td>9</td>
<td>Awareness about services</td>
<td>70.038</td>
<td>.000</td>
</tr>
<tr>
<td>10</td>
<td>Savings</td>
<td>58.199</td>
<td>.000</td>
</tr>
<tr>
<td>11</td>
<td>Status of the family</td>
<td>54.110</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: computed data

It revealed from the test results that t-value showed the significance of all the factors under study. Hence, it may be concluded that the ratings towards core banking services are rated to be no difference.

**SUMMARY OF FINDINGS**

The score value has been calculated for each personal factors by using five point scale. The analysis revealed that a highest total score was found in the category of education and it was ranked I among the personal factors.

It indicates that the education has influenced the high level attitude of the respondents towards core banking services.

The test results that t-value showed the significance of all the factors under study. Hence, it may be concluded that the ratings towards core banking services are rated to be no difference.

**SUGGESTIONS**

The banks should also enhance its technological capabilities and continue to implement its core banking solutions plan.

This connectivity will help to understand its customers better, manage its customer relationships and allow it to offer a large number of value added products and to sell its products more effectively. The head office may concentrate on branches in semi-urban and rural areas to implement core banking solutions.

**CONCLUSION**

In modern banking, customers are the pillars of the banks. To safeguard the interest of the customers, customer service departments were established. Customer grievance redressal mechanism is also prevalent in banks. Therefore, banks are reviewing the customer care aspects periodically. It is also noted that, the success of core banking not only depends on the technology but also dependent to the large extent to the attitude, commitment and involvement of the operating staff at all levels and how for the customers reap the benefits from core banking solution.

**BIBLIOGRAPHY**


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