



DEMOGRAPHIC VARIABLES OF WOMEN CUSTOMERS AND THEIR INFLUENCE OVER CUSTOMER SATISFACTION IN PUBLIC SECTOR BANKS, CHENNAI CITY

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Cite This Article: R. Geetha & Dr. R. Poornima Rani, "Demographic Variables of Women Customers and their Influence Over Customer Satisfaction in Public Sector Banks, Chennai City", *International Journal of Computational Research and Development*, Volume 1, Issue 1, Page Number 167-171, 2016.

Abstract:

Banking industry is the backbone of any country's economy. Service sector in India is the fastest growing sector, giving more employment opportunities than other sectors. Since the post liberalisation period, the competition for public sector banks grew. So the banks were forced to adopt customer oriented policies. Customer satisfaction is influenced by many factors. An attempt has been made by the researcher to study the influence of demographic factors on customer satisfaction. The study was conducted on women customers of public sector banks in Chennai city. The Sample size was 600. The data collected was then statistically analysed with SPSS package by using ANOVA. The findings show the influence of demographic variables on customer satisfaction. This information may be helpful for the banks to increase their customer satisfaction.

Introduction:

Bank plays an important role in the economic development of a country. It is a financial institution that accepts deposits and channels those deposits into lending activities either directly or through capital markets. A bank connects customers which have capital deficits to those customers with capital surpluses. The banking industry in India is facing certain challenges, particularly after the liberalisation, privatisation and globalisation of the Indian economy in 1991; the public sector banks faced severe competition from the private banks. With too many players in the market, a customer has many options. If a customer is not satisfied with their bank, he can easily change his choice of bank. Thus, customer satisfaction became an important factor in the industry. So to attract new customers and to retain their existing customers, the banks are required to frequently increase the quality of services. The level of service quality and customer satisfaction can be determined by some of the demographic factors like age, gender, education, income, occupation etc. So the researcher has made an attempt to study the influence of demographic variables on customer satisfaction through a study of Public Sector Banks in Chennai.

Review of Literature:

Chitra (2013)¹ examined the awareness level of various retail banking services offered by SBI in Tirupur city; studied the effectiveness of advertisements for various retail services provided by SBI; analyzed the customer attitude towards the retail services offered by SBI; studied the various problems faced by customers related to retail services offered by SBI; and studied the satisfaction level of customers relating to retail services offered by SBI. Primary data were collected from 200 respondents by personal interview. The study found that customers are not satisfied with user friendliness, speed of service and quality of services at SBI. The study suggests that services should be made more accessible. In order to increase awareness, SBI should advertise its services more. Moreover, services can be made user-friendly. The speed and quality of service should be improved.

Jayshree Chavan and Faizan Ahmad (2013)² measured the overall satisfaction of retail banking customers and identified the factors of customer satisfaction in retail banks. The study is confined to public sector, private sector and co-operative sector banks in Sangli and Solapur districts in Maharashtra. 200 customers from public sectors banks, 200 customers from private sector banks and 200 customers from co-operative sector banks were selected. The findings revealed that customer satisfaction, a transaction-specific attribute, is dependent on nine different factors.

Kirti Agarwal (2013)³ made an attempt to study the various services turns up by banks for customers; and to make a study of bank customer services provided by banks to satisfy their needs from selected public and private sector banks. The results indicate that the number of depositors per branch is nearly equal in both the banking sectors. The depositors are uniformly distributed in various regions in case of public sector banks. The private sector banks have higher number of depositors in metro cities. The amount of total deposits is quite high

¹ Chitra, B (2013). "A Study on Consumer Attitude towards Retail Banking with Respect to State Bank of India," *International Research Journal of Business and Management*, Vol.II, August, pp.56-61

² Jayshree Chavan and Faizan Ahmad (2013). "Factors Affecting on Customer Satisfaction in Retail Banking: An Empirical Study", *International Journal of Business and Management Invention*, Vol.2, No.1, January, pp.55-62.

³ Kirti Agarwal (2013). "Banking Services and Customers of Private and Public Sector Banks: A Study", *Primax International Journal of Commerce and Management Research*, Vol.1, No.2, July- September, pp.157-164.

in case of public sector banks. The number of borrowers per branch and the amount borrowed per branch show a substantial figure in private sector banks. The study concluded that new private sector banks already emerged with computerized bank branches. It's the public sector banks which were lagging behind in this aspect.

Babitha Thimmaiah, Jnaneshwar Pai Maroor and Shainy (2013)⁴ made an attempt to find out recent trends in marketing of bank services; to know the problems faced by bankers in marketing; to know the customer problems in getting access to bank services; and to suggest ways to overcome problems. The primary data were collected with the help of interview of branch managers and officers. Secondary data were collected from books, journals, websites, etc. The study reveals that public sector banks are facing two problems namely, inefficiency and competition from private players. The study concluded that these problems can be tackled effectively by giving energy boosters like training and development, motivation of employees and by creating super ordinate goals.

Harinder Singh Gill and Saurabh Arora (2013)⁵ identified the factors influencing customer satisfaction in both private and public banks and compared the factors influencing satisfaction level of customers of public and private banks. The analysis revealed that public sector banks though bit behind in technology compared to private banks. A private sector bank on the other hand satisfies customers by giving better technology and more options of investments. The results of this research will be helpful to bankers to devise a better strategy to satisfy their existing customers and also to develop new schemes by understanding the demands and requirements of potential customers in the market.

Objectives:

- ✓ To know the demographic profile of the women respondents in public sector banks.
- ✓ To find out the influence of demographic profile on the dimensions of banking services.

Methodology:

The research work is descriptive in nature. The present research endeavours to appraise the women customer satisfaction in the Public Sector Banks. Both primary and secondary data are used as the source for the study. Sampling unit for the study was the women customers of public sector banks in Chennai. Four Banks were considered for the study, namely: Indian Bank, Indian Overseas Bank, Canara Bank, State Bank of India from Central, South and North regions in Chennai City.

The total sample size was 600, i.e., 200 from each regions of the study area. Convenience sampling method was adopted for the study. Research instrument used for the study was a structured questionnaire addressed to the bank customers. The period of the study was about 6 months i.e., from June 2016 to December 2016. First, the descriptive analysis was carried out for the study and then the statistical analysis was done with the help of SPSS package by using ANOVA.

Profile of the Respondents:

Descriptive analysis is used to discuss the profile of the respondents. The analysis revealed that most of the respondents are in the age group 26 to 40 years and 62% of the respondents were married. Considering the educational qualification, a majority of the respondents were Graduates. Regarding the occupation, major of them were salaried persons. About 50% of the respondents' income is below Rs. 25,000 per month. The detailed descriptions of the profile of the respondents obtained through primary data are mentioned in Table 1.

Table 1: Profile of the Respondents			
Profile	Description	No. of Sample Respondents	Percentage
Age	Below 25 years	160	26.70
	26-40 years	215	35.80
	41-55 years	133	22.20
	Above 55 years	92	15.30
Marital Status	Single	228	38.00
	Married	372	62.00
Educational Qualification	Professional	148	24.70
	Postgraduate	128	21.30
	Graduate	213	35.50
	Others	111	18.50
Occupation	Professional	149	24.80
	Businessman	124	20.70
	Salaried person	262	43.70
	Retired person	65	10.80

⁴ Babitha Thimmaiah, N, Jnaneshwar Pai Maroor and Shainy, V.P (2013). "Comparative Study of the Challenges Faced by PSU Banks and Urban Co-operative Banks and Strategies to Overcome with Special Reference to Mangalore City", Global Journal of Management and Business Studies, Vol.3, No.3, pp. 341-346.

⁵ Harinder Singh Gill and Saurabh Arora (2013). "Study of Customer Satisfaction: A Comparison of Public and Private Banks", Pacific Business Review International, Vol.6, No.6, December, pp.74-79.

Monthly income	Below Rs.25,000	301	50.10
	Rs.25,001-Rs.50,000	175	29.20
	Above Rs.50,000	124	20.70

Customer Satisfaction on the Services Provided By the Banks:

Banks provide many services to the customers. But only General services and ATM services were selected for this study. To test the significance of opinions about satisfaction levels towards various aspects of the services, Friedman’s test for k-related samples was applied to the study. This test was chosen as the parameters are independent. It is used to detect differences in treatments across multiple test attempts. The procedure involves ranking each row (or block) together, then considering the values of ranks by columns.

Opinions of Women Customers Towards Satisfaction Level in Internet Banking:

Internet banking (or Online banking or E-banking) allows respondents of the Bank to conduct financial transactions on a secured website operated by that Bank. To access online banking facility, a customer having personal Internet access must register with the bank for the service, and set up some password for the use of the service.

Description	Mean Rank	Chi Square Value
Availability of desired information on website	5.90	164.386** (p<0.001)
Security of transaction	5.29	
Time to get password and user id	4.69	
User friendly website	4.70	
Utility bill payment facility	4.83	
Prompt response to email query	4.62	
Mobile banking	5.03	
Electronic funds transfer	4.87	
E-shopping	5.07	

Parametric Relationship Between Demographic Variables and Dimensions of Services:

One way analysis of Variance (ANOVA) is found suitable to find the influence of independent variables on the dependent variables. This tool adapts the mechanism of comparing the mean value of the variables to exactly determine their significance.

i) Testing for Significant Difference Between Demographic Variables With Respect to the Internet Banking:

Profile	Description	N	Mean	S D	F-value	P-value
Age	Below 25 years	160	34.34	5.779	1.092	<0.001
	26-40 years	215	34.07	5.188		
	41-55 years	133	34.68	4.477		
	Above 55 years	92	35.19	5.364		
Marital Status	Single	228	33.58	5.725	3.200**	0.001
	Married	372	34.98	4.845		
Educational Qualification	Professional	148	34.62	5.224	2.507	0.058
	Postgraduate	128	35.45	4.100		
	Graduate	213	33.99	5.767		
	Diploma & School	111	33.96	5.241		
Occupation	Professional	149	34.30	5.184	0.428	0.733
	Businessman	124	34.69	4.776		
	Salaried person	262	34.29	5.356		
	Retired person	65	34.98	5.754		
Monthly Income	Below Rs.25,000	301	33.56	5.651	9.252**	<0.001
	Rs.25,000-Rs.50,000	175	35.13	3.957		
	Above Rs.50,000	124	35.64	5.429		

From the above table, it is clear that respondents with age above 55 years have scored higher mean value of 35.19 and the lowest mean was scored by the respondents with age 26-40 years 34.07. This shows that the respondent’s with age above 55 years are more satisfied than other age groups, with the Internet banking services. Since the p-value is less than the 1% significant level, the **Null hypothesis is accepted**. So, there is no significant difference between age group of the respondent’s and the Internet Banking services.

With respect to marital status, respondent’s who were married have scored higher mean value of 34.98 than the respondents who are living single (33.58). This shows that the married respondent’s are more satisfied than the single respondent’s towards the Internet banking services. The p-value is greater than 1% significant

level. Thus the **Null Hypothesis is accepted**. Thus, it can be understood that there is no significant difference between the marital status of the respondents and the Internet banking services.

Respondents' who are postgraduates has scored higher mean value of 35.45 and the respondents who are graduates has scored lowest mean value of 33.96. This shows that the postgraduates are more satisfied than other educational qualifications towards the Internet Banking services. The obtained 'p' value is 0.058 and it is not significant at 5% level. Thus, the **Null hypothesis is accepted**. The value indicates that there is no significant mean difference between respondent's educational qualifications with respect to Internet Banking services.

With respect to occupation, respondent's who have retired have scored higher mean value of 34.98 and the respondents who are professionals have scored lowest mean value of 34.30. This shows that the retired people are more satisfied than the other occupations towards the Internet banking services. Since, the obtained 'p' value is 0.733 and it is not significant at 5% level, the **Null hypothesis is accepted**. The value indicates that there is no significant mean difference between respondent's Occupation with respect to Internet banking services.

From the above table, we can infer that, respondent's earning monthly income above Rs.50,000 have scored higher mean value of 35.64 than the respondent's earning monthly income below Rs.25,000 with the mean value 33.56. This shows that the respondent's with monthly income above Rs.50, 000 are more satisfied than the respondent's with other monthly income slabs with the Internet banking services. The obtained 'p' value is less than 1 % significant level. So, the **Null hypothesis is rejected**. The value indicates that there is significant mean difference between monthly incomes of respondent's with respect to Internet banking services.

Findings of the Study:

With regard to the Internet Banking, out of the five demographic variables, only the Monthly income factor was rejected and the other four were accepted. This means that Monthly income factor plays an important role in determining the satisfaction level of customers in Public sector banking.

Conclusion:

Results of this study show that there is significant relationship between the demographic variables and the satisfaction level. In today's competitive world, banks can get competitive advantage by providing superior services to their customers. The finding reinforces the need for banks to place an emphasis on satisfying the customers and take into account the moderating effect of demographics and situational factors. The banks should periodically assess and monitor customer satisfaction levels and recognize its importance in developing and maintaining enduring relationship with their customers as crucial parameters leading to increased performance.

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Appendix – 1

Questionnaire:

Part – A: Demographic Profile

(Please round the alphabet of your Answer)

1. Age : a) below 25 b) 26 to 40 c) 41 to 55 d) Above 55
2. Marital status : a) Single b) Married
3. Education : a) Professional b) Postgraduate c) Graduate d) Others
4. Occupation : a) Professional b) Business Woman c) Salaried d) Retired
5. Monthly income : a) Less than 25,000 b) 25,001 - 50,000 c) Above 50,000

Part – B: Customer Services Satisfaction

(Please indicate by a tick against each statement given below)

S.No	Internet Banking	Excellent (5)	Good (4)	Average (3)	Poor (2)	Very Poor (1)
1	Availability of desired information on website					
2	Security of transaction					
3	Time to get password and user id					
4	User friendly website					
5	Utility bill payment facility					
6	Prompt response to email query					
7	Mobile banking					
8	Electronic funds transfer					
9	E-shopping					