

CUSTOMER SATISFACTION TOWARDS ATM SERVICES – A COMPARATIVE STUDY OF PUNJAB NATIONAL BANK AND AXIS BANK

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Abstract: The Automated Teller Machine (ATM) has become an integral part of our life and society. ATM is effectively reached out a large customers base at lowest cost. At present most of the banks have networking systems for their e-banking services like ATMs. This study aims at analyzing the satisfaction level of customers of Punjab National Bank and Axis Bank based on various aspects related to ATMs. The study adopted a performance only approach to measuring customer satisfaction. A self-administered questionnaire containing multi-dimension and multi-attribute Likert measurement scales was used where respondents rated the performance only and their satisfaction with Automated teller machine banking and satisfaction with their respective banks. Data will be collect from the way of survey from bank customers and later on will be analyze by statistical technique and tools like Descriptive Statistics, Percentage Method, and Ranking Method. The conclusion would be interpreted accordingly.

Keywords: E-Banking, ATM, Customer Satisfaction

INTRODUCTION

In banking industry, E-services are at revolutionary stage. Electronic based banking is replacing conventional banking system. Now, trend in banking has evolved from cash economy to plastic card economy. Fierce competition among banks along with the global forces has compelled the banks to adopt the technological changes to face the electronic age. It is also known as E-banking or internet banking or online banking which provides various alternative electronic channels to using banking services i.e. internet banking, mobile banking, ATM services, electronic fund transfer, credit card, debit card, and electronic clearing services etc. Among these services, ATM is the main channel of distribution to be explored due to the increase in its popularity. This study aims at analyzing the satisfaction levels of the customers of Punjab National Bank and Axis Bank holding ATM cards with respect to some aspects such as prompt ATM services delivered by personnel, location, sufficient number of ATMs in city, regularity in working of ATMs, their overall impact on customer satisfaction etc. This study is a type of descriptive research using non probability sampling.

Today, more and more Indian banks are trying to differentiate themselves in a fiercely competitive industry. The most commonly used delivery channel introduced for financial services is the ATM. ATM is a cash rendering teller machine. This helps bank customers to withdraw money from his account without having to go to the bank. ATM is a user friendly, computer driven system, which operates 24 hours a day, 7 days a week. A totally menu-driven system, it displays easy-to-follow, step-by-step instructions for the customer's technique.

REVIEW OF LITERATURE

Motwani D. and Shimali D. (2012) in their study highlights the awareness level and satisfaction of customers regarding ATM services. This is a descriptive research in which convenient sampling method was used to collect data. Various statistical tools have been used like chi-square test, ANOVA, weighted mean to test the hypothesis. The conclusion reveals that awareness level is affected by demographic profile of customers.

Jhametal (2008) found that private banks have been able to more attract the younger customers with higher educational levels, who are comfortable with multi-channel banking, the customers of the national bank are older and more satisfied with the traditional facilities.

Sabir, Ghafoor, Akhtar, Hafeez and Rehman (2014), stated that today's businesses compete for customers and customer satisfaction is becoming a key performance indicator and an essential element of business strategy. They added that customer satisfaction expectations are key drives behind customer satisfaction which in turn is an indicator of customer purchase intentions and brand loyalty.

RESEARCH OBJECTIVES

1. To identify the various aspects affecting customer satisfaction in ATM services.

2. To compare the satisfaction level of customers associated with various aspects of ATM services in the selected banks.
3. To provide suggestions to overcome the problems related to various aspects.

RESEARCH DESIGN AND METHODOLOGY

This study involves both primary and secondary data; primary data was gathering from ATMs users of Punjab National Bank and Axis Bank. The size of sample was taken 50 as per convenient sampling method by using 17 statements which is related to various aspects of ATMs services like location of ATMs, processing time, availability of cash, quality of notes, ATMs grievances, safety & security, sufficient numbers of ATMs etc. besides this, many published sources have been used for the better understanding of the study. Secondary sources include bank's annual reports, relevant research papers on ATMs, article, thesis etc. In this study, data will be collect from the way of survey from bank customers and later on will be analyze by statistical technique and tools like Descriptive Statistics, Percentage Method, and Ranking Method. The conclusion would be interpreted accordingly.

ANALYSIS AND FINDINGS

Table 1: Demographic Profiles of ATM Users

		TYPE OF BANKS		TOTAL
		PUBLIC SECTOR (UNION BANK OF INDIA)	PRIVATE SECTOR (AXIS BANK)	
Gender	Male	10	9	19
	Female	15	16	31
	TOTAL	25	25	50
Age	18-25	20	17	37
	26-35	2	3	5
	36-45	2	3	5
	46 and above	1	2	3
	TOTAL	25	25	50
Education	Under Graduate	4	5	9
	Graduate	6	6	12
	Post Graduate	14	10	24
	Other	1	4	5
	TOTAL	25	25	50
Occupation	Govt. Employees	3	4	7
	Business	2	8	10
	Professional	1	3	4
	Students	19	10	29
	TOTAL	25	25	50

Table 1: clearly shows the demographic profile of sample respondents. It reveals that female respondents are higher than male respondents using ATM services of public and private sector banks together. Majority of respondents using ATM services falls in the age group of 18-25 and post graduate are high as compared to other educational groups. Students are high in both sectors.

Table 2: Responses of Public Sector Bank

S.No.	ASPECTS	SA (5)	A (4)	M (3)	D (2)	SD (1)	Sum	Weighted Average	Rank
1.	Promptness of the delivery of card	12	8	0	3	2	25	4.2	2
2.	Easily located ATM	6	12	0	5	2	25	3.8	3
3.	ATM's are found at all useful places like malls, Hospitals, stations. Etc	3	8	0	12	2	25	3.0	7
4.	Directions are clear to operate my ATM	6	17	0	1	1	25	4.3	1
5.	Keypad of ATM machine is working properly	4	11	1	8	1	25	3.5	4
6.	Processing time of ATM	2	17	3	3	0	25	3.8	3
7.	Availability of cash in my ATM	0	13	0	8	4	25	2.9	8
8.	ATM slip always shows updated balance	15	5	0	5	0	25	4.2	2
9.	Quality of notes	0	17	0	6	2	25	3.4	5
10.	ATM grievances are settled within stipulated time	4	10	2	6	3	25	3.3	6
11.	Safety & security	4	15	0	4	2	25	3.8	3
12.	Behavior of ATM guard	3	12	2	6	2	25	3.4	5
13.	Sufficient number of ATMs	3	8	0	9	5	25	2.8	9
14.	Working condition	0	12	2	8	3	25	3.0	7
15.	Complaint book	1	5	2	13	4	25	2.3	10
16.	Availability of Power backup/Generator/Inverter	12	6	2	4	1	25	4.2	2
17.	Overall performance	2	15	6	1	1	25	3.8	3

In table 2, on the basis of weighted sum, ranking is done against various aspects of ATM in order to know which aspect contributes the most towards maximizing the satisfaction and which one gives a negative effect. According to the response of the respondents researcher analyzed that directions to operate ATM services gave 1st rank, its means that respondents of sectors are most satisfied with this aspect followed by updated balance, availability of power backup, promptness of the delivery of card, locations of ATM, processing time, safety and security, overall performance, keypad of ATM, quality of notes, behavior of ATM guard, grievances settled with stipulated time, easily found at useful places like malls, hospitals etc., availability of cash, sufficient number of ATM ended with the complaint book.

Table 3: Responses of Private Sector Bank

S. No.	ASPECTS	SA (5)	A (4)	M (3)	D (2)	SD (1)	Sum	Weighted Average	Rank
1.	Promptness of the delivery of card	7	14	0	0	4	25	4.0	3
2.	Easily located ATM	8	10	2	0	5	25	3.7	5
3.	ATM's are found at all useful places like malls, Hospitals, stations. Etc	7	9	3	0	6	25	3.4	7
4.	Directions are clear to operate my ATM	7	16	0	0	2	25	4.1	2
5.	Keypad of ATM machine is working properly	6	14	2	0	3	25	3.9	4
6.	Processing time of ATM	0	16	3	3	3	25	3.4	7
7.	Availability of cash in my ATM	0	6	3	7	9	25	2.1	14
8.	ATM slip always shows updated balance	10	15	0	0	0	25	4.4	1
9.	Quality of notes	2	4	6	6	7	25	2.4	12
10.	ATM grievances are settled within stipulated time	0	4	7	7	7	25	2.2	13
11.	Safety & security	0	10	4	5	6	25	2.8	11
12.	Behavior of ATM guard	3	7	9	3	3	25	3.2	9
13.	Sufficient number of ATMs	3	10	3	2	7	25	3.0	10
14.	Working condition	0	5	3	7	10	25	2.1	14
15.	Complaint book	0	3	0	2	20	25	1.4	15
16.	Availability of Power backup/Generator/Inverter	6	12	0	0	7	25	3.3	8
17.	Overall performance	0	14	7	3	1	25	3.6	6

In table 3: on the basis of weighted sum, ranking is done against various aspects of ATM in order to know which aspect contributes the most towards maximizing the satisfaction and which one gives a negative effect. According to the response of the respondents researcher analyzed that aspects related to ATM slip always shows updated balance getting 1st rank, followed by directions to operate ATM, promptness related to delivery of cards, working condition of keypad, easily location of ATM, overall performance, easily found at useful places like malls, hospitals etc. processing time, availability of power back up, behavior of ATM guard, sufficient number of ATM, safety and security, quality of notes, grievances settled with stipulated time, availability of cash, working conditions ended with the complaint book.

Table 4. Comparison of Public and Private Sector Bank

S. NO.	ASPECTS	Public Sector (Punjab National Bank)		Private Sector (Axis Bank)	
		Weighted Average	Rank	Weighted Average	Rank
1.	Promptness of the delivery of card	4.2	2	4.0	3
2.	Easily located ATM	3.8	3	3.7	5
3.	ATM's are found at all useful places like Malls, Hospitals, stations. Etc.	3.0	7	3.4	7
4.	Directions are clear to operate my ATM	4.3	1	4.1	2
5.	Keypad of ATM machine is working properly	3.5	4	3.9	4
6.	Processing time of ATM	3.8	3	3.4	7
7.	Availability of cash in my ATM	2.9	8	2.1	14
8.	ATM slip always shows updated balance	4.2	2	4.4	1
9.	Quality of notes	3.4	5	2.4	12
10.	ATM grievances are settled within stipulated time	3.3	6	2.2	13
11.	Safety & security	3.8	3	2.8	11
12.	Behavior of ATM guard	3.4	5	3.2	9
13.	Sufficient number of ATMs	2.8	9	3.0	10
14.	Working condition	3.0	7	2.1	14
15.	Complaint book	2.3	10	1.4	15
16.	Availability of Power backup/Generator/ Inverter	4.2	2	3.3	8
17.	Overall performance	3.8	3	3.6	6

In table 4, On the basis of weighted mean and ranking of promptness in delivering card, location of ATMs, clear direction for operating the ATM services, processing time, availability of cash, quality of notes, grievances settlement within stipulated time, safety & security, behavior of ATM guard, working condition, availability of complaint book at ATM centers, facility of power backup / generator / inverter and overall satisfaction, the performance of public sector bank is much better than the private sector bank, which indicates that the customers of public sector bank are satisfied as compared with the satisfaction level of customers of private sector bank for the above said factors.

While for the remaining factors like availability of ATM center at useful places, working keypad, ATM slip shows updated balance, sufficient numbers of ATMs, the performance of private sector bank is much better than the public sector bank.

The findings reveals that ATM services of public sector bank are providing more satisfactory services as compared to public sector bank in this study. Therefore private sector banks should concentrate their attention on ATM services quality to improve customer satisfaction.

CONCLUSIONS AND SUGGESTION

Majority of the respondents in both the banks dissatisfied with the ATM Grievance settlement. Hence it is suggested the banks to developed and improvise the proper mechanism to resolve the grievance settlement, as it leads to customer comfort and satisfaction. Comfort and convenience is very important in any business that majority of the respondents are dissatisfied with the ATM., locations, therefore it is suggested that the banks Administration should arrange the ATMs at all the useful places like malls, hospitals shopping malls, etc., so that customer have a comfort and convenience. Majority of the customers are dissatisfied with the sufficient number of ATMs in city, working conditions, cash availability, quality of notes hence, it is suggested the banks to provide all the facilities based on the customers data base and potential customers in the city. Complaint book is most important

at the ATM counters, it is found respondents stated that no complaint book is available at ATM counter hence, it is suggested the banks to put the complaint book in ATM counter, then the customers utilize and make the complaint and also suggestions to the banks for effective functioning. The most important issue the bank administration should concentrate on proper mechanism on Grievances settlement; besides that, customers' data is increasing day by day correspondingly the number of ATMs should be increased, so it leads to customers' satisfaction.

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