CHAPTER VI
SUMMARY OF THE STUDY, CONCLUSIONS AND
SUGGESTIONS OF THE STUDY

This chapter gives a summary about the findings of the study, suggestions to the banks and conclusion of the study. After carrying out an in-depth analysis on the data collected from the customers of the public sector banks and the private sector banks, the researcher found the following:

Findings of the study

❖ 35 percent of the respondents in the public sector banks and 41.2 percent of the respondents in the private sector banks are in the age group below 25 years and 1.3 percent in public sector banks and 2 percent in private sector banks respondents fall in the age group of above 55 years.

❖ Male respondents in public sector banks constitute 53 percent and female respondents are 47 percent whereas in private sector banks the male respondents are 60.8 percent and female respondents are 39.2 percent.

❖ 55.7 percent of the respondents in public sector banks and 47.1 percent in private sector banks are married and 43.7 percent in public sector banks and 52.9 percent in private sector banks are single.

❖ Among the total respondents 51.7 percent in public sector banks and 58.8 percent in private sector banks are degree/diploma holders, 3.9 percent of respondents have education up to +2 level in private sector banks and 3.3 percent of respondents in public sector banks belong to others category of education.
The respondents who earn income below Rs.10,000 in public sector as well as in private sector banks are 42 percent and 37.3 percent respectively and 9.3 percent and 11.8 percent of respondents in public sector and private sector earn above Rs.25,000 per month.

50.3 percent and 58.8 percent of the respondents in public sector and private sector banks are employees and 2.7 percent and 2 percent of the respondents in public sector and private sector banks are home makers.

65.3 percent of respondents in public sector banks and 66.7 percent of respondents in private sector banks belong to nuclear type of family and rest of the respondents belong to joint family.

89 percent of the respondents in public sector banks and 90.2 percent of respondents in private sector banks are aware of loans and advances provided by their respective bankers and 0.7 percent of the respondents in public sector banks have not responded for this but there is no non response from the respondents of private sector banks.

61.3 percent and 52 percent of respondents of public sector banks are aware of bills discounting and traveler’s cheque whereas in private sector banks this amounted to 62.7 percent and 60.8 percent respectively. Non responses amounted to 13 percent each in public sector banks and 9.8 percent for bills discounting and 7.8 percent for traveler’s cheque in private sector banks.

45.7 percent of respondents of the public sector banks are aware of export import finance and 39.2 percent of the respondents of private sector banks are aware of export import finance. 35.7
percent and 39.2 percent of customers of public sector and private sector banks have said that their banks do not offer this service.

- 59 percent of respondents of the public sector banks and 72.5 percent of the respondents of private sector banks are aware of encashment of cheque. 27 percent and 11.8 percent of customers of public sector and private sector banks have said that their banks do not offer this service.

- 93 percent and 94 percent of respondents of the public sector banks are aware of issue of demand draft and issue of cheque book and 92.2 percent and 94.1 percent of the respondents of private sector banks are aware of issue of demand draft and issue of cheque book.

- 46.3 percent of respondents of the public sector banks and 49 percent of the respondents of private sector banks are aware of foreign inward remittance. 35.3 percent and 35.3 percent of customers of public sector and private sector banks have said that their banks do not offer this service.

- 100 percent of the respondents of the private sector banks and 95.7 percent of the public sector banks are aware of current/savings/recurring/fixed deposits being accepted by their banks.

- 81.7 percent of respondents of the public sector banks and 86.3 percent of the respondents of private sector banks are aware of locker service being offered by their bank. 15.3 percent and 11.8 percent of customers of public sector and private sector banks have said that their banks do not offer this service.
76 percent of respondents of the public sector banks and 80.4 percent of the respondents of private sector banks are aware of payment of bills. 19 percent and 15.7 percent of customers of public sector and private sector banks have said that their banks do not offer this service.

69.3 percent of respondents of the public sector banks and 80.4 percent of the respondents of private sector banks are aware of collection of bills and non responses amounted to 8.7 percent and 3.9 percent in public and private sector banks respectively.

71 percent of customers in public sector banks and 86.3 percent of customers in private sector banks have said that their banks send statement of accounts, 20 percent of public sector bank customers and 7.8 percent of the private sector bank customers have said that their bank do not provide this service and non responses are 9 percent customers in public sector and 5.9 percent in private sector bank.

67.3 percent and 76.5 percent of the customers of public sector banks and private sector banks respectively have reported that their bank makes proper reply to their queries, 21 percent and 9.8 percent customers of public sector and private sector banks have said that their bank do not reply to customers queries.

100 percent of customers of private sector banks and 96 percent of customers of public sector banks have recorded that their banks offers ATM facility to their customers.

91 percent of customers in public sector banks and 98 percent of customers in private sector banks are aware of the online banking service rendered by their banks.
- 82.7 percent of the customers of public sector banks and 92.2 percent of the customers of private sector banks are aware of the credit cards being issued by the banker, 14.7 percent and 5.9 percent of customers of public sector and private sector banks respectively have said that their banks does not offer credit card facility to them.

- 46.7 percent of customers of public sector banks and 51 percent of customers of private sector banks have knowledge about the RTGS and NEFT facility for transfer of funds offered by their banks, 35.3 percent of customers, both in public sector banks and private sector banks said that this facility is not available in their bank.

- 49 percent of customers of public sector banks and 62.7 percent of private sector customers are aware of consultancy service offered by their banks, 33.3 percent of public sector bank customers and 23.5 percent of private banks customers have said that their banks do not offer this service.

- 48.7 percent of the customers of public sector banks and 58.8 percent of customers of private sector banks are aware of merchant banking service, 34.3 percent from public sector banks and 29.4 percent from private sector banks have reported that their banker do not offer this service.

- 43.3 percent of the customers of public sector banks and 51 percent of the customers of private sector banks are aware of the portfolio management being offered by the banker, 36.7 percent and 31.4 percent of customers of public sector and private sector banks respectively have said that their banks do not offer portfolio management facility to them.
45.7 percent of customers of public sector banks and 56.9 percent of customers of private sector banks know that their banker acts as a trustee and administrator, 33.3 percent and 27.5 percent of customers of public sector banks and private sector banks respectively have said that their bank does not act as trustee and administrator.

60 percent of the customers of public sector banks and 64.7 percent of customers of private sector banks have reported that their bank accept government taxes/fees, 24 percent from public sector banks and 21.6 percent from private sector banks have reported that their banks do not offer this service.

46.3 percent of customers of public sector banks and 56.9 percent of customers of private sector banks have reported that their banks offer demat service, 33.7 percent of public sector banks and 25.5 percent of private sector banks have reported that their banks do not offer this service.

53.7 percent and 64.7 percent of customers of public sector banks and private sector banks respectively have reported that their banks sell gold coins/bars, 29.3 percent of customers of public sector banks and 23.5 percent of customers of private sector banks have said that their bank does not sell gold coin/bars.

41 percent of customers of public sector banks and 56.9 percent of customers of private sector banks have said that their banks engage in conversion of foreign currencies, 39 percent and 29.4 percent of customers of public sector banks and private sector banks respectively have reported that their banks do not provide this service.
The customers of private sector banks have complete awareness regarding savings/recurring/fixed/current deposits and are aware of ATM facility being accepted and offered by their banks. This implies that the customers of private sector banks have learnt to use ATMs at various situations more than the customers of the public sector banks.

The awareness among the customers of the public sector banks and the private sector banks for services like export import finance and foreign inward remittance are noted to be low i.e. even below average. The awareness relating to certain services like portfolio management, consultancy, trustee and administration and merchant banking, which are mostly offered for the benefit of the corporate people, is also equally low from both public sector and private sector bank customers.

There is no association between the services offered and quality of services in both public and private sector banks with regard to loans and advances, bills discounting, issue of travelers cheque, encashment of cheque, reply to queries, online banking and funds transfer through NEFT and RTGS.

Sending statement of account to the customers by public sector and private sector was found to be an important determinant of quality of services offered by the banks and issue of demand draft is found to be a determinant of quality of service in private sector banks and it not a determinant in case of public sector banks.

There is no association between the services like export import finance, issue of cheque book, foreign inward remittance, locker services, payment of bills, collection of bills, credit cards, consultancy service, merchant banking, portfolio management,
trustee and administration, acceptance of government fees and taxes, demat account, retail sale of gold and forex services, being offered by the banks and the quality of services rendered by the private sector banks and these services do not act as a determinant of service quality in private sector banks.

- All variables pertaining to various services offered by the banks have been segmented into seven major service quality dimensions viz. tangibility, reliability, responsiveness, assurance, empathy, confidence building and technology augmentation.

- The total customers of public sector and private sector banks are categorized into three types and they are named as saturated customers, meticulous customers and impulsive customers.

- The customers of both public sector and private sector banks have strongly agreed for easy accessibility of their banks from tangibility point of view and safety of transactions aspect of assurance. There is no difference of opinion among the customers of public sector banks and private sector banks as far as responsiveness aspect of quality of service and confidence building and technology augmentations by their respective banks.

- Both the customers of public sector and private sector banks have moderately agreed for quick and prompt service of assurance aspect of quality of service and for approachable managers in case of empathy aspect of service quality. As far as the sincerity in solving problems of customers from reliability point of view the customers of private sector banks have strongly agreed and customers of public sector banks have moderately agreed.

- The customers of public sector banks expect more from counter services whereas the customers of private sector banks expect
more from queries and redressal. As far as level of satisfaction is concerned the customers of private sector banks have more satisfaction towards execution of standing instructions than the public sector banks. On the whole the expectations are more than the level of satisfaction in case of public sector banks.

- The customers of private sector banks have strongly agreed that they will recommend others to become customers and maintain account with their banker and the customers of both public sector and private sector banks have moderately agreed that they will not switch to any other bank. This implies that the customers of public sector banks and private sector banks have different perceptions to the same statement that they will recommend others to become customers of their banks.

- The $R^2$ value in public sector banks indicates that the service quality dimensions has 8.9 percent variation on customer satisfaction; whereas in private sector banks the $R^2$ value (10.5 percent) has a greater variation on customer satisfaction than the public sector banks.

- The factors that influence customer satisfaction in public sector banks are tangibility, reliability and confidence building. In case of private sector banks, tangibility, responsiveness, assurance and technology augmentation influence customer satisfaction.

- In both the type of banks, customer satisfaction has an impact on customer loyalty; in public sector banks the $R^2$ value is 24.8 percent and in private sector banks $R^2$ value is 17.8 percent.

- Customer’s of age above 55 years in public sector banks have strongly agreed for the existence of assured quality with regard to responsiveness, assurance and empathy factors in public sector banks.
banks and all the customers whether married, single or others have strongly agreed for tangibility aspect of service quality. There is no influence of age and marital status in case of private sector banks.

- There is no influence of gender and family type of customers of both private sector banks and public sector banks on the service quality dimensions. Both male and female of public sector and private sector banks have common perceptions about the service quality dimensions.

- There is no influence of education and occupation in public sector banks. This implies that the educational level and occupations of the customers of public sector banks have common perception towards all the factors relating to service. The customers, who are professionals in private sector banks, have moderately agreed for assurance and confidence building aspect of service quality whereas the customers of other occupations have strongly agreed for the same.

- The customers of public sector bank whose income group is Rs.15001-Rs.20000 and Rs.20001-Rs.25000 have strongly agreed for the reliability and technology augmentation aspect of service quality whereas in case of private sector banks all the customers irrespective of various incomes levels have significant difference of opinion regarding all the seven service quality dimensions.

6.2 Suggestions

The researcher recommends the following suggestions to be implemented by the public sector as well as the private sector banks in order to increase the level of satisfaction of their customers which in turn helps them to retain their customers.
- Usage of ATM must be recommended by the public sector banks for their customers in order to avoid long queues in banks. The bankers must take necessary steps to make understand the use of ATM and how it can be used for various purposes to their customers.

- Some services which are more relevant only for corporate sectors must be made known to the customers through personnel selling and for services pertaining to individual customers the banks must give frequent advertisements in popular media in order to inform the customers about the various types of services being offered by them for the benefit of the customers.

- In the present competitive world, the use of internet and mobile banking has become a vital one. It is necessary that the banks, both public sector and private sector, must create greater awareness among their customers for the use of funds transfer technology for easy transfer of funds and how payments via internet is made very easy and convenient.

- The expectations of the customers pertaining to various services which are highly sensitive must be fulfilled by the banks in the way it is much expected by the customers viz. counter services and reply to queries.

- The banks must focus on those parameters immediately to fulfill customer expectations where the mean score of expectations are more.

- The banks have to improve its quality of service for those variables to fulfill customer satisfaction where the mean score is less.