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A Study on Usage of Banking Services by Career Women in Madurai City

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Abstract

In today's modernized world, most of the women are going for jobs and are using banking services. This research study is related to the usage of banking services such as deposits, loans, fee-based services, e-banking services, insurance, and mutual fund by career women in Madurai. This study focused on awareness and usage of banking services, factors influenced to use banking services, problems faced in availing banking services, and the level of satisfaction by career women. The researcher collected information from 110 respondents in Madurai city. The data collected using appropriate questionnaires were analyzed and interpreted using statistical techniques. Also, the testing of the hypothesis was done, and conclusions arrived at whether the theory is accepted or rejected.

Keywords: Career women, Banking, e-banking, Account, Public bank, Private bank, Awareness, Deposit, Loan, ATM, Fee-based service, Mutual fund, Insurance and Satisfaction.

Introduction

The banking sector is the backbone of the economy in the country. It provides various services to the people. The primary function of banks is accepting deposits and lending loans. The banks also offer agency and general utility services. In India, banking has witnessed various changes after liberalization and globalization.

Today, banks are operating in a highly competitive and rapidly changing environment. Change in nature and the severity of competition has forced proactive banks to invest in digital technology. Digital banking is an extension of traditional banking. It offers sophisticated, innovative and cost-effective products like E-banking by paving the way for cashless and 24x7 banking.

Objectives of the Study

The following are the objectives of the study

1. To study the level of awareness of banking and e-banking services by career women.
2. To analyze the banking services used by career women.
3. To analyze the factors influencing to use banking services by career women.
4. To analyze the problems faced by career women while using banking services.
5. To analyze the level of satisfaction of banking services by career women.

Scope of the Study

The study covers the usage of banking and e-banking services of both public and private sector banks by career women in Madurai City. Career women include women working in government and non-government organizations. Banking services covered in the study are deposits, loans, fee-based services, e-banking, insurance, and mutual fund.

Review of Literature

Anithamary & Harini (2016) did a study on “Consumer awareness and usage of E-banking services concerning Coimbatore city.” The objective of the study was to identify the awareness of e-banking and how frequently it was used by the respondents. The result of the study showed that customers were using only a few facilities of various e-banking services like ATM and debit card services due to misconception and lack of information.

Chandrawati & Pandey (2017) did a study on “Role of E-Banking services towards Digital India.” The study was conducted to identify drivers of Digital Banking Transformation for Indian banks. E-technology has become a tool that facilitates banks’ organizational structures, business strategies, customer services, and related functions. Using exploratory research, the study concluded that digitalization changed the face of branch banking. Moreover, integration with social media components as their online channels was also a significant driver for digital banking transformation.

Agarwal (2017) in his study titled “Influencing factors for bank selection intention in Ethiopia: A study conducted in Arba Minch Town,” examined the influence of six factors – social, convenience, financial, technological, service quality, and reputation in bank selection intentions of customers in Ethiopia. The study showed all these factors were perfectly positively and significantly correlated with bank selection intention, and technological factors had a maximum contribution to bank selection intention.

Research Design and Methodology

The data required for the study were collected from both primary and secondary sources. Primary data were collected through a structured

questionnaire, and secondary data were collected from journals, magazines, theses, and also from the Internet. The study is empirical. The analytical part of the study was based on primary data collected from career women through questionnaires. The data were collected and then analyzed to find the actual result.

Sample Size

The size of the sample is 110 respondents.

Sampling Design

In the study, a convenient sampling method was used to collect data, which is a type of non-probability sampling.

Period of the Study

It defines the period taken for the completion of the study. For the study, the primary data and secondary data collected were covered a period of one academic year from July 2019- May 2020.

Tools Used for Analysis

The tools such as Percentage analysis, Garrett Ranking, Likert scaling, and Correlation were used.

Demographic Profile of the Respondents

The demographic profile of the respondents includes age, educational qualification, occupation, marital status, monthly income, and type of bank. The study does not differentiate between public and private banks. For the information, it has been collected. The following table shows the demographic profile of the respondents.

Table 1: Demographic Profile of the Respondents

Demographic Profile		Respondents	%
Age (in years)	21-30	25	23
	31-40	29	26
	41-50	36	33
	51-60	20	18
	Total	110	100
Educational qualification	UG	51	46
	PG	59	54
	Total	110	100

Occupation	Government Employees	62	56
	Private Employees	48	44
	Total	110	100
Marital status	Married	88	80
	Unmarried	22	20
	Total	110	100
Monthly Income (in Rupees)	Below 20,000	39	35
	20,000-30,000	12	11
	30,000-40,000	16	15
	40,000-50,000	20	18
	Above 50,000	23	21
	Total	110	100
Type of Bank Account	Public	80	73
	Private	9	8
	Both	21	19
	Total	110	100

Source: Primary Data

Table 1 depicts the demographic profile of the respondents where 33% are within the age group of 41-50 (in years), 54% in total respondents completed PG Degree, 56% of the respondents are Government employees, 80% of the respondents are married, 35% of the respondents belong to the income group Below 20,000 (in rupees), and 73% maintain an account in Public bank.

Awareness of Banking Services

The overall awareness of banking services was found based on Likert scaling. Each factor was given weights, and the rank was given based on the mean score. The following table shows the mean score found using the Likert scaling technique.

Table 2: Awareness of Banking Services

Banking Services	Mean score	Rank
Deposit service	4.69	1
Loans	4.55	2
Fee based services like locker facility	4.18	3
E-banking services	4.16	4
Insurance	3.69	5
Mutual funds	3.60	6

Source: Computed Data

Table 2 evidenced that majority of the respondents are having a high awareness of deposit and loan services and less awareness of insurance and mutual funds.

Table 3: Extent of Awareness

Banking services	Mean score	Rank
I am aware that interest rate differs according to various deposit services.	3.89	3
I am aware that minimum balance should be maintained in deposit a/c.	4.30	1
I am aware of the interest rate for the loan I have taken.	3.09	7
I am aware of the different types of loan offered by banks.	3.81	4
I am aware of fees and charges for locker and other fee based services.	1.91	10
I am aware that e-banking services can be accessed 24 x 7.	4.04	2
I am aware that there is no charges for online banking services.	3.72	5
I am aware that premium should be paid for insurance policy.	3.18	6
I am aware that insurance have tax deductions.	2.56	8
I am aware that mutual funds are professional management.	2.20	9

Source: Computed Data

Table 3 evidenced that majority of the respondents are having high awareness on minimum balance should be maintained on a deposit account, and e-banking can be accessed 24x7. Less knowledge of mutual funds is professional management and fees for fee-based services.

Table 4: Correlation among Educational Qualification, Occupation and Awareness on Banking Services

	Age	Awareness
Age (r)		0.342
Awareness (r)	0.342	
	Occupation	Awareness
Occupation (r)		0.858
Awareness (r)	0.858	

Source: Computed Data

Above Table 4 evidenced that (as the coefficient of correlation $r < 0.5$), there is a weak positive correlation between educational qualification and awareness on banking services. There is a very strong positive correlation between occupation and knowledge on banking services (as the coefficient of correlation $r > 0.5$).

Usage of Banking Services

The usage of banking services was analyzed using percentage analysis. The following table shows the frequency of using banking services and the mode of using banking services.

Table 5: Frequency of Using Banking Services

Banking services	Frequency of transactions			
	Once in a week	Once in 15 days	Once in a month	Once in 6 months
Deposit	4 (4%)	2 (2%)	27 (28%)	64 (66%)
Loan	0	0	48 (100%)	0
ATM	10 (9%)	14 (13%)	84 (76%)	2 (2%)
Locker	1 (5%)	0	7 (37%)	11 (58%)
Online banking	7 (8%)	3 (4%)	51 (59%)	25 (29%)
Fund transfer	3 (5%)	0	40 (68%)	16 (27%)
Collection / Payment service	0	0	9 (90%)	1 (10%)
Demand draft	0	0	1 (12.5%)	7 (87.5%)
Demat service	0	0	0	5 (100%)
Insurance	0	0	10 (71%)	4 (29%)
Mutual fund	0	0	3 (60%)	2 (40%)

Source: Computed Data

Table 5 depicts that the majority of the respondents use Once in a month for Loans 100%, ATM 76%, Online banking 59%, Fund transfer 68%, Collection/ Payment service 90%, Insurance 71%, and Mutual fund 60%. The least transactions done was Once in 15 days for Deposit service 2%.

Table 6: Mode of Using Banking Services

Banking services	Mode of Transactions	No. of Respondents	%
Deposits	Bank	36	37
	ATM	61	63
Fund Transfer	ATM	20	34
	Net banking	39	66
Loan	Bank	5	10
	Net banking	43	90
Collection / Payment Service	Bank	6	60
	Net banking	4	40
Insurance	Bank	4	29
	Net banking	10	71
Mutual Fund	Bank	1	20
	Net banking	4	80

Source: Computed Data

Table 6 depicts that Net banking is used for doing many banking transactions. 90% of respondents use it for paying loan interest, 66% use it for fund transfer, and 71% use it for insurance. The respondents use ATM for depositing money was 63%, and only 20% of the respondents visit the bank for doing mutual fund service.

Factors Influenced to Use Banking Services

For the following factors, the Garrett Ranking approach is applied to find out which element has been influenced the career women the most to avail banking services in Madurai.

Table 7: Garrett Ranking for the Factors Influenced to use Banking Services

Factors	Average	Rank
Investment purpose	54.63	2
To meet future needs	52.62	3
Safety	55.44	1
Convenience	38.39	5
Security	46.90	4

Source: Computed Data

Table 7 infers that safety was the most influenced factor for career women on using banking services, and convenience was the less influenced factor for career women using banking services.

Table 8: Garrett Ranking for the Factors Influenced to use Net Banking services

Factors	Average	Rank
24 x 7 availability	59.75	1
Easy accessibility	54.17	2
Security	48.44	3
Cost – effective	41.31	5
Time saving	44.73	4

Source: Computed Data

Table 8 infers that 24x7 availability was the most influenced factor for career women on using net banking services and cost-effective was the less controlled factor for career women on using net banking services.

Problems Faced While Using Banking Services

The problems faced by career women were found using the Likert scaling technique on ATM and Net banking. The following table shows the mean score found using the Likert scaling method.

Table 9: Problems Faced on using ATM

Problems	Mean score	Rank
Machine out of order	3.26	2
Machine out of cash	3.70	1
Cards get blocked	1.61	5
Not able to get the printed statement	2.29	4
Long waiting time	3.19	3

Source: Computed Data

Table 9 depicts that machine out of cash was the major problem faced by career women, and cards get blocked the least faced problem.

Table 10: Problems Faced on using Net banking

Problems	Mean score	Rank
Not being able to maintain security	2.18	5
Not giving fast response	2.30	4
Leaving the operation unfinished	2.46	2
Too many steps in processing transaction	2.80	1
Not providing information	2.36	3

Source: Computed Data

Table 10 depicts that too many steps in processing were the major problem faced by career women, and not being able to maintain security was the least faced problem.

Satisfaction Level on Banking Services

The satisfaction level of career women towards banking services was found using the Likert Scaling technique. The following table shows the mean score summary, which was detected using the Likert scaling technique.

Table 11: Satisfaction Level on Banking Services

Satisfaction Criteria	Mean score	Rank
Deposit services	4.34	2
Loan services	3.52	4
ATM services	3.13	5
Fund transfer services	3.93	3
Net banking services	4.40	1

Source: Computed Data

Table 11 depicts that career women were highly satisfied with the Net banking services, and they were less confident with ATM services.

Findings and Suggestions

Findings

- The mean score of the respondents which is highest for awareness was Deposit (4.69) and Loan services (4.55) and lowest for Insurance (3.69) and Mutual fund (3.60)
- The mean score of the respondents which is highest for the extent of awareness were Minimum balance should be maintained in deposit a/c (4.30) and e-banking services can be accessed 24x7 (4.04) and lowest for Mutual funds are professional management (2.20) and fees for fee-based services (1.91).
- The respondents use banking services once in a month for Loans 100%, ATM 76%, Online banking 59%, Fund transfer 68%, Collection/ Payment service 90%, Insurance 71%, and Mutual fund 60%. The least transactions done was Once in 15 days for Deposit service 2%.
- Net banking was used for doing many banking transactions. 90% of respondents use it for paying loan interest, 66% use it for fund transfer, and 71% use it for insurance. The respondents

use ATM for depositing money was 63%, and only 20% of the respondents visit the bank for doing mutual fund services.

- The mean score, which is highest for the factor which influenced the career women to use banking services were safety (55.44), and net banking was 24x7 availability (59.75).
- The mean score, which is highest for the problems faced in ATM were machine out of cash (3.70), and in Net banking were too many steps in processing transactions (2.80).
- The career women were highly satisfied with Net banking services (4.40) and less confident with ATM services (3.13).

Suggestions

The services like Mutual fund and Demat are used by 5 out of 110 respondents. So, more awareness can be given for Mutual fund and Demat services, and the bankers can make an effort to increase more people to use those services also. ATM is meant for the customers to use that machine at their convenient times. Whenever they are using the ATM, they are expecting that the cash should be available. The bankers should ensure whether sufficient money is available in the machine so that the problems faced by respondents on the machine out of money will be reduced. Establishment of a proper maintenance system and mechanism to avoid break down of ATMs can help to reduce machine out of order problem and also helps in improving e-banking image in the minds of customers. Many people are reluctant to use net banking facility because of the reason that there is no security. So, the bankers should give more assurance to the customers to use the net banking services as there will be no security issue.

Conclusion

Banks play an essential role in the economy of the country. They offer a large number of services

to the customers. Today banks offer innovative products like e-banking, which is convenient for the customers. It was clear that the majority of people feel that net banking is more comfortable than traditional banking, as conventional banking has limited working hours. As India is moving into digitalization, the people are also moving into digitalized banking, which is easy to access and is available 24x7.

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