CUSTOMER PERCEPTION AND SATISFACTION TOWARDS THE SERVICES OF MANJERI CO-OPERATIVE URBAN BANK

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INTRODUCTION

The Cooperative Societies can be defined as an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise. India is an agricultural country and laid the foundation of World's biggest cooperative movement in the world. The need for profitability is balanced by the needs of the members and the wider interest of the community. The Cooperative Movement was started by the weaker sections of society for protecting its members from the clutches of profit hungry businessman.

Co-operative Banks in India are registered under the Co-operative Societies Act. The cooperative bank is also regulated by the RBI. They are governed by the Banking Regulations Act, 1949 and banking according to the Laws (Co-operative Societies) Act, 1996. A cooperative Bank is a financial entity which belongs to its members who are at the same time the owners and the customer of their bank. Cooperative banks are small sized unit organized in the cooperative sector which function both in urban and rural areas. The cooperative banks pursue the goal of profit maximization. The banks do not focus on offering more than the basic services and grant finance to small borrowers in industrial and trade sector besides professional and salary classes. Structure of cooperative bank in India is broadly classified into rural and urban. Rural cooperative credit institutions could be short term or long term in nature. Further, short term cooperative credit institutions are further subdivided into State Co-operative Bank, District Central Co-operative Bank, and Primary Agricultural Credit Society.

India is mainly an agrarian society with more than half of its population still residing in the villages. Rural sector is the major contributor to the overall GDP of the nation and hence lack of development in villages means lack of development in India. Co-operative societies are playing significant role in this and share a major credit in the growth of rural sector which along with government and private sectors contribute to the overall economy of India. Cooperatives cover more than 97% of Indian villages, some run by its members and some by the government. They have traditionally played an important role in creating banking habits among the lower and middle income groups and also strengthen the rural delivery system. They are different from stakeholder's bank by their organization, their goals, their value and governance.

SIGNIFICANCE OF THE STUDY

Increasing and retaining the customers is an important business factor. Now-days, banking sector is very important in the world's economy. Every bank is trying to build a band of loyal customers rather than ordinary customers. So the bank wants to concentrate more on the customer satisfaction, Since almost all banks offering more or less the same products with little change.

Co-operative Banks traditionally played an important role in creating banking habits among the lower and middle income groups. In order to serve the customer efficiently and to provide highest level of satisfaction, technology up gradation is an important aspect to speed up the servicing in all spheres of banking and to fulfill customer needs. Today customer preference is changing at a rapid speed and their demands are insatiable. In order to cater to the changing preferences, bankers are bound to provide the services suitable to their needs to service in the competition; customers are not ready to accept any delay in instant decisions. Therefore, customer satisfaction has become more important in banking service. Banks have to improve not only their technology but also their relationship skills with their customers. This study attempts to analyse the quality of services offered by Manjeri C-operative Urban Bank and to know the satisfaction level of customers towards the services provided by MCUB.

STATEMENT OF THE PROBLEM

Urban cooperative banking sector is the most important and growing segment of cooperative sector which is totally self-reliant and most vibrant. These institutions had glorious past of being reliant voluntary in nature, democratic management and self reliant in financial position with less risk in operation. These banks play a vital role in rendering credit needs of small means and weaker sections and tiny industries. But yet urban cooperative bank faces a stiff competition from the commercial banks as well as from multinational banks. The commercial banks are able to provide quick and innovative service to its customers for better than the cooperative banks.

Customer perception is important to improve the cooperative bank services. Customer satisfaction will strengthen the services of cooperative banks and also pave way to plan new strategies to improve the services. Today, Indian banks are trying to develop service quality with customers that include like flexible banking hours, computerized banking operations, kind responsive and well behaved personnel etc. Customers are aware of and exposed to the standards of international banking and other private banks and expect the same range of service quality from co-operative banks. If the performance matches expectations, the customer is satisfied. If the performance exceeds expectations, the customer is delighted. Only delighted customers or highly satisfied customers stay loyal to the services. This study helps to understand the perception and satisfaction of customers towards the Services offered by Manjeri Co-operative Urban Bank

OBJECTIVES OF THE STUDY
The specific objectives of the study are:
1. To study various services offered by Manjeri Co-operative Urban Bank.
2. To identify the factors which influence customers to prefer Manjeri Co-operative Urban Bank.
3. To study the level of customer satisfaction towards the services provided by Manjeri Co-operative Urban Bank.
4. To examine the opinion of customers with respect to service quality management of MCUB.
5. To understand the problems faced by Manjeri Co-operative Urban Bank customers.

SCOPE OF THE STUDY

The present study covers the level of satisfaction of customers towards the various services provided by Manjeri Co-operative Urban Bank. Scope of the study was limited to the 70 customers of Manjeri Co-operative Urban Bank. This study also throws light on the opinion of customers with respect to service quality management and E-banking facilities of MCUB. Some of the valuable suggestions may be provided for the improvement of various services of banks.

HYPOTHESES OF THE STUDY

➢ H0: There is no association between gender of customers and satisfaction on customer support services.

H1: There is association between gender of customers and satisfaction on customer support services.

➢ H0: There is no association between educational qualification and overall satisfaction regarding various services provided by the bank

H1: There is association between educational qualification and overall satisfaction regarding various services provided by the bank

RESEARCH METHODOLOGY

Research Design

The study is both analytical and descriptive in nature based on primary and secondary data.

Population

Customers of Manjeri Co-operative Urban Bank (MCUB) from Manjeri Municipality form the population of the study.

Sampling Design

Purposive sampling is adopted as the sampling design of the study. A sample size of 70 Manjeri Co-operative Urban Bank customers from Manjeri Municipality has been taken into consideration for the purpose of the study.

Sources of Data

Primary data: The primary data have been collected by using structured questionnaire.

Secondary data: To support the analysis for this study secondary data collected from website of Manjeri Co-operative Urban Bank (MCUB), past records, journals, books and internet.

Tools for Data Collection

The data required for the study is collected by using structured questionnaire. **Tools of Analysis**

Data collected from primary and secondary sources are processed systematically by applying method of classification, tabulation and analysis.

The statistical tools used for data analysis were:

· Percentage analysis

· Chi-square analysis

. Garret ranking

· ANOVA

Tools of Presentation

Appropriate tools such as tables, pie diagrams and bar charts are used for presentation.

Period of Study

The study has been conducted for a period of 3 months starting from January 2022 to March 2022.

FACTORS INFLUENCED TO OPEN AN ACCOUNT

Factors	1	2	3	4	5	6	7	8	Total
Convenient location	13	5	11	16	13	3	2	7	**70**
Working hours	7	16	12	11	9	3	8	4	**70**
Quick service	19	12	5	13	7	8	2	4	**70**
Simple formalities	17	5	8	5	11	9	6	9	**70**

Cheap credit	6	14	8	4	9	6	12	11	**70**
High interest on deposit	5	12	4	7	4	15	11	12	**70**
Relation with customer	3	6	22	12	5	10	10	2	**70**
Non-banking services	0	0	0	2	12	16	19	21	**70**

Source:
Primary data

Percent Position $= 100 (R_{ij}-0.5)$

Table **5.9(b) Ranking of** **Factors** **Influenced to** **Open an Account**

Ranks	Percent position	Garret value
1	$100 (1-0.5)/8 = 6.25$	**80**
2	$100 (2-0.5)/8 = 18.75$	**67**
3	$100 (3-0.5)/8 = 31.25$	**59**
4	$100 (4-0.5)/8 = 43.75$	**53**
5	$100 (5-0.5)/8 = 56.25$	**47**
6	$100 (6-0.5)/8 = 68.78$	**41**
7	$100 (7-0.5)/8 = 81.25$	**33**
8	$100 (8-0.5)/8 = 93.75$	**20**

Table 5.9(b) Ranking of Factors Influenced to Open an Account

Factors	1*80	2*67	3*59	4*53	5*47	6*41	7*33	8*20	Total	Average	Rank
Convenient location	1040	335	649	848	611	123	66	140	3812	54.46	3
Working hours	560	1072	708	583	423	123	264	80	3813	54.47	2
Quick service	1520	804	295	689	329	328	66	80	4111	58.73	1
Simple formalities	1360	335	472	265	517	369	72	180	3570	51.00	5
Cheap credit	480	938	472	212	423	246	396	220	3387	48.39	6
High interest on deposit	400	804	236	371	188	615	363	240	3217	45.96	7
Relation with customer	240	402	1298	636	235	410	330	40	3591	51.30	4

| Non banking services | 0 | 0 | 0 | 106 | 564 | 656 | 627 | 420 | 2373 | 33.90 | **8** |

Eight different factors that may influence people to open an account in Manjeri Co operative Urban Bank were given to the respondents for ranking. Garret ranking method is used for getting a clean picture about the influencing factors.

The data distribution states that quick service is the most important factor that influenced people to open an account in Manjeri Co-operative Urban Bank. Satisfaction with working hours is the second important factor. Convenient location, good relation with customers, simple formalities and availability of cheap credit are ranked in third, fourth, fifth and sixth position. The least influencing factors are rate of interest on deposit and non-banking service activities.

BEST SERVICES PROVIDED BY THE BANK

Services	1	2	3	4	5	6	7	8	9	Total
Cashier withdrawal	11	9	6	10	6	8	7	4	9	**70**
Information and customer enquiry	8	7	9	8	11	12	9	5	1	**70**
Loan service	14	10	13	8	6	5	7	4	3	**70**
Safety locker system	9	11	12	5	9	11	6	5	2	**70**
Complaints desk	7	9	11	8	9	3	6	8	9	**70**
ATM withdrawal	9	10	8	9	7	12	7	5	3	**70**
Card facilities	6	8	6	10	11	6	8	5	10	**70**
Internet and mobile banking	6	6	5	12	11	8	2	10	10	**70**
Others	0	0	0	0	0	5	18	24	23	**70**

Source: Primary data

$$\text{Percent Position} = 100 \ (Rij\text{-}0.5)/NJ$$

Calculation of Percent Position and Garret Value of Rank

Ranks	Percent position	Garret value
1	100 (1-0.5)/9 = 5.5	**81**
2	100 (2-0.5)/9 = 16.66	**69**
3	100 (3-0.5)/9 = 27.77	**62**
4	100 (4-0.5)/9 = 38.88	**56**
5	100 (5-0.5)/9 = 50	**50**
6	100 (6-0.5)/9 = 61.11	**44**
7	100 (7-0.5)/9 = 72.22	**38**
8	100 (8-0.5)/9 = 83.33	**31**
9	100 (9-0.5)/9 = 94.44	**19**

Ranking of Best Services Provided by the Bank

Services	1*81	2*69	3*62	4*56	5*50	6*44	7*38	8*31	9*19	Total	Average	Rank
Cashier withdrawal	891	621	372	560	300	352	266	136	171	3669	52.41	**5**

Service										Total	Mean	Rank
Information and enquiry	648	483	558	448	550	528	342	155	19	3731	53.30	**4**
Loan service	1134	690	806	448	300	220	266	124	57	4045	57.79	**1**
Safety locker system	729	759	744	280	450	484	228	155	38	3867	55.24	**2**
Complaints desk	567	621	682	448	450	132	558	248	171	3547	50.67	**6**
ATM withdrawal	729	690	496	504	350	528	266	155	57	3775	53.93	**3**
Card facilities	486	552	372	560	550	264	304	155	190	3433	49.04	**7**
Internet and mobile banking	486	414	310	672	550	352	76	310	190	3360	48.00	**8**
Others	0	0	0	0	0	220	684	744	437	2085	29.79	**9**

Nine different services provided by banks were given to the respondents for ranking. Garret ranking method is used for getting a clean picture about the best practices offered by MCUB.

As per table it is very clear that most of the customers opined that loan service attracted m more. Safety locker system, ATM withdrawal, information & customer enquiry and cashier withdrawal are ranked in second, third, fourth and fifth position. Card facilities and internet & mobile banking are the least ranked services.

ANALYSIS USING CHI-SQUARE

GENDER AND SATISFACTION ON CUSTOMER SUPPORTSERVICES

H0:   There is no association between gender of customers and satisfaction on customer support services.

H1:   There is association between gender of customers and satisfaction on customersupport services.

Gender and Satisfaction on Customer Support Services

Gender	Level of Satisfaction					Total
	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Highly dissatisfied	
Male	14	18	6	5	0	**43**
Female	9	6	9	3	0	**27**
Total	**23**	**24**	**15**	**8**	**0**	70

Table 5.35(a) Computation of Chi-Square

Observed Frequency	Expected Frequency	$(O-E)^2$	$(O-E)^2/E$
14	14.2	0.014	0.0009
9	8.87	0.0169	0.001
18	14.7	10.89	0.74
6	9.25	10.56	1.14
6	9.21	10.30	1.11
9	5.78	10.37	1.79
5	4.9	0.01	0.002
3	3.08	0.0064	0.002
0	0	0	0
0	0	0	0
		Total	4.79

Here the degree of freedom is (c-1) (r-1), ie., (2-1) (5-1)=4. At 5% level of significance the table value is 9.488. Since calculated value is less than table value, null hypothesis is accepted. That means there is no association between gender of customers and satisfaction on customer support services.

ANALYSIS USING ONE WAY ANOVA

EDUCATIONAL QUALIFICATION AND OVERALL SATISFACTION REGARDING VARIOUS SERVICES PROVIDED BY THE BANK

H0: There is no association between educational qualification and overall satisfaction regarding various services Provided by the bank

H1: There is association between educational qualification and overall satisfactionregarding various services provided by the bank

Table 5.36   Age and Level of Empowerment

Educational Qualification	Level of Satisfaction					Total
	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Highly dissatisfied	
Below SSLC	3	2	1	1	0	7
SSLC	4	5	2	1	0	12
Plus two	2	23	6	2	1	34
Graduation	3	4	1	2	1	11
Post-graduation	0	4	0	O	0	4
Professional	0	0	2	0	0	2
Total	12	38	12	6	2	70

Table 5.36(a)   ANOVA

ANOVA			
Source of Variance	Sum of Squares	Degree of Freedom	Mean Square
Between samples	SSC=145	K-1=2	MSC=72.5 MSE=15.6
Within samples	SSE=188	N-K=12	
Total	SST=333	N-1=14	

$$F = 72.5/15.6$$

$$= 4.64$$

Here the degree of freedom is (K-1, N-K) = (2, 12). At 5% level of significance the table value is 3.88. Since calculated value is greater than table value, null hypothesis is rejected. That means there is association between educational qualification and overall satisfaction regarding various services provided by the bank

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