

A COMPARATIVE STUDY OF CUSTOMER ATTITUDE TOWARDS ATM OF SBI AND ICICI BANK

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ABSTRACT

The Automated Teller Machine (ATM) is one type of innovation that can mechanically accept deposits, issue withdrawals, transfer funds between accounts and collect bills. This study aims at comparing the attitude of people toward ATM of SBI and ICICI bank. It also aims at find out the factors influencing the use of ATM. It also outlines the problem usually face by customer while using ATM of their banks. Target group chosen for this study were the people who have account in SBI and ICICI bank in Sirsa City (Haryana, India) and who are using the facility of ATM. This study reveals that on some point there is a difference in attitude of customer of ICICI and SBI bank towards ATM services. It reveals that most important factor which influence customer to use the ATM services is it's convenience in use in case of both ICICI and SBI bank. Easy availability of machines also affects its use. Customer also uses ATM of ICICI because they agree that its use is secure. This study find that the main problem face by customer of SBI is that they get old currency notes from ATM of SBI. The main problem from ICICI ATM is that its machine goes out of cash. We also find that use of ATM is increasing from last 2 years. People are now moving towards using the Automated Teller Machine.

KEY WORDS: Automated Teller Machine, Attitude, Cash withdrawal, Customer preference, Services, Out of cash.

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INTRODUCTION

This study is about studying the attitude of people towards ATM of SBI and ICICI bank. An automated teller machine (ATM) is a computerized telecommunications device that provides the customers of a financial institution with access to financial transactions in a public space without the need for a human clerk or bank teller. The Automated Teller Machine (ATM) is one type of innovation that can mechanically issue withdrawals, transfer funds between accounts and collect bills. Automated Teller Machines (ATMs) have gained prominence as a delivery channel for banking transactions in India. Banks have been deploying ATMs to increase their reach. More people are now moving towards using the automated teller machines (ATM) for their banking needs. ATMs are now seen to be more than mere cash dispensing machines. Customers use ATMs to recharge their mobile phone pre-paid connections, pay their utility bills, even mutual fund transactions – making them at par with flexibility given in internet banking – only more secure. Of the value-added services provided at ATMs, bill-payment is the most used service, followed by prepaid mobile talk-time recharges. Banks going into a self service model can have huge saving potential for banks and may also increase the convenience for the customers. Through this paper we tried to find out the factors influencing the use of ATM and we also try to find the problems usually face by customer while using ATM services of a bank.

REVIEW OF LITERATURE

Earlier studies have been carried out to determine the customer attitude towards ATM bank but studies dealing with this are few:

Davies et al. (1996) identified that secure and convenient location, adequate number of ATM and functionality of ATM plays important role in customer satisfaction.

Humphrey (2003) studied that electronic payments was considerably cheaper than their paper-based alternatives. Similarly, ATMs are a more cost-efficient way to deliver certain depositor services than are branch offices. This Cost –efficiency also influence customer decision.

Josephand Stone (2003) mentioned that adequate number of ATMs, convenient and secure location, speed , cash backup and cost are essential service quality aspects of ATM service.

Snellman and Viren (2006) reveal that the demand for cash depends both on the number of ATMs and ATM networks and on the popularity of other means of payment. Thus, the use of cash can be fairly well explained in a transaction demand framework, assuming proper controls for market structure and technical environment

Whittakar and Introna(2006) studied that automatic teller machine (ATM) will the dominant mode of access to cash for those living in industrialized societies. In order to make some of the politics of the ATM more visible, he illustrates the political struggles through four interconnected narratives: (a) the talking ATM, (b) the insecure ATM, (c) the charging ATM, and (d) the cashless ATM. In each of these descriptive accounts he attempt to show how the

ATM becomes (or is) a cybernetic actor that is configured and reconfigured through a multiplicity of political translations resulting in a multiplicity of politically significant cybernetic ATM networks.

STATEMENT OF THE PROBLEM

A comparative study of customer attitude towards ATM of SBI and ICICI bank.

OBJECTIVES OF THE STUDY

To find out the difference in the attitude of people towards ATM of SBI and ICICI bank.

To know the factors influencing the use of ATM.

To find out the problems usually face by customer while using ATM services of a bank.

RESEARCH METHODOLOGY

This research follows the survey research methodology based on previous research in related area, a questionnaire was constructed to study the Attitude of customer towards ATM. After pilot testing the questionnaire was administered to 100 persons who have account in SBI and ICICI bank. Here we take minimum age as 20 years. The data were analyzed with the percentage method.

SAMPLE PLAN

The target group chosen for this research were the persons who have account in SBI and ICICI bank and who are using the facility of ATM. Sample unit for this research is customer of SBI and ICICI bank of Sirsa city and sample size is 100.

DATA COLLECTION

For research data has been collected from primary sources as well as secondary sources.

- **Primary Data:** This is collected by means of structured questionnaire. A three page questionnaire was developed. In first part of questionnaire demographic information such as age, education, gender, marital status, occupation, income was sought. In remaining part questions were adopted to find the attitude of customers and problem faced by customer while using ATM.
- **Secondary Data:** This is collected from books, newspapers, research papers, internet etc.

DATA ANALYSIS AND INTERPRETATION

Table 1: Detail of respondents

Demographics		No. of respondents	Percentage (%) of the sample
Age	20-30	25	25
	30-40	45	45
	40-50	20	20
	50 and above	10	10
Gender	Male	60	60
	Female	40	40
Education	Secondary Education	8	8
	Matriculation	10	10
	Senior Secondary	14	14
	Graduation	36	36
	Post –Graduation	28	28
	Any Other	4	4
Occupation	Businessman	30	30
	Employee(Private sector)	30	30
	Employee(Public Sector)	28	28
	Farmer / Laborer	10	10
	Any other	2	2
Income per month	Less than 10,000	8	8
	10,000 – 20,000	18	18
	20,000 – 30,000	20	20
	30,000 – 40 ,000	18	18
	40,000 – 50,000	34	34
	More than 50,000	2	2

Table 1 shows demographic profile of respondents. Demographic profile was analyzed using frequency distribution. Total sample size is 100. Age, gender, educational qualification, occupation and income per month constitute the demographic profile of the respondents.

Table 2: In which bank do you have an account ?

Particulars	Frequency (Yes)	Percentage of people who have account	Frequency (No)
ICICI Bank	45	45	55
SBI Bank	55	55	45
Total	100	100	100

Table 2 shows that out of sample of 100 customer, 55% have account in SBI bank and only 45% have account in ICICI bank. It shows majority of people are customer of SBI bank.

Table 3 : Does your bank provide ATM services?

Particulars	ICICI (Percentage)	SBI (Percentage)
Yes	100	100
No	0	0
Don't Know	0	0
Total	100	100

Table 3 reveals that both ICICI and SBI bank provide ATM services and their customers are fully aware that their bank provide ATM services.

Table 4 : How long you have been using ATM services?

Particulars	ICICI (Percentage)	SBI (Percentage)
From 1 - 12 months	40	30
From 1 – 2 years	28	28
From 2 – 3 years	22	27
More than 3 years	10	15
Total	100	100

Table 4 shows that use of ATM services is increasing year to year. Earlier its use was less but since last 2 year more customers are using it. In case of ICICI bank 68% more customer have

started the use of this services since last 2 years and it is 58% in case of SBI. It also show that in comparison to number of customer of ICICI bank , more number of customer of SBI bank start using it earlier.

Table 5 : How frequently do you use an ATM in a week ?

Particulars	ICICI (Percentage)	SBI (Percentage)
1-3 times	75	56
More than 3 times	25	44
Total	100	100

Table 5 shows that 44% of SBI customer uses ATM service for more than 3 times in a week and 25% of ICICI customer are uses it for more than 3 times in a week. Majority of ICICI customer which 75% uses ATM for 1 to 3 time in a week.

Table 6 & 7 : In your opinion, the following factor(s) influence you to use the ATM of this bank ? (5= Strongly Agree , 4 = Agree, 3 = neutral , 2= Disagree , 1 = Strongly Disagree)

Table 6 : ICICI Bank

ICICI Particulars	Response in percentage (%)					Total
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	
Trust and Security	40	34	12	6	8	100
Convenience in use	46	32	12	6	4	100
Speed	35	10	50	3	2	100
Cost	13	13	32	16	26	100
Fast cash withdrawal	31	23	28	6	12	100
Easy Availability	36	45	14	2	3	100
View accounts balance	25	18	35	14	8	100

Table 7 : SBI Bank

SBI Particulars	Response in percentage (%)					
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Trust and Security	44	36	8	8	4	100
Convenience in use	65	25	6	2	2	100
Speed	40	23	28	2	7	100
Cost	35	23	8	18	16	100
Fast cash withdrawal	25	30	35	6	4	100
Easy Availability	55	30	10	3	2	100
View accounts balance	20	22	50	5	3	100

Table 6 shows that 46% strongly agree that they use ICICI ATM services because it is convenient to use, 40% strongly agree that its use is secure and only 13% strongly agree on that they use it due to its low cost. 45% customers agree that easy availability of ATM machines influence them to the ATM and only 2% customer are disagree with that. If we compare it with customers of SBI bank, 65% of SBI customer strongly agree that they use ATM due to convenience in use. 55% of customer strongly agrees that they use it due to easy availability of machines. 40% of customer agree that fast cash withdrawal influence them to use ATM. Beside that 35% customer are neutral towards fast cash withdrawals. The most important factor which influence people to use the ATM services is its convenience in use in case of SBI and also in ICICI bank.

Table 8 : Which of the following problems do you usually face while using ATM services of a bank?

Particulars	ICICI (Percentage)			SBI (Percentage)		
	Often	Rarely	Never	Often	Rarely	Never
Poor visibility of statement	12	48	40	10	67	23
Cards get blocked	8	47	45	11	44	45
Machine out of order	11	52	37	21	51	28
Unsuitable location of ATM	8	42	50	15	52	33
ATM not working	18	45	37	17	55	28
Provide old currency notes	16	54	30	33	43	24
Machines out of cash	18	42	40	15	40	45
Wrong amount of Statement	0	2	98	1	0	99

Table 8 shows that in case of ICICI bank the problem of machine out of the cash , the problem of ATM not working and the problem of providing old currency is more than other problem. 18% people says that its machine often go out of cash and 16% customer says that it provide old currency notes. 98% customer says that it never give wrong amount of statement. If we compare ATM service of ICICI with SBI than 33% customer of SBI says that its machine often provides old currency notes. 99% customer says that it never give wrong amount of cash statement. Problem of cards get block is more in ICICI bank in comparison to SBI bank. Problem of unsuitable location is more in case of SBI bank in comparison to ICICI bank.

SUMMARY AND CONCLUSION

It can be concluded on some key points there is a difference in attitude of customer of ICICI and SBI bank towards use of ATM . Purpose of this study was to know the factors influencing the use of ATM. This study find that most important factor which influence customer to use the ATM services is it's convenience in use in case of both ICICI and SBI bank. Another important factor which influence SBI customer to use ATM service is easy availability of machines. Customer also use ATM of ICICI because they agree that it's use is secure. Another objective was to identify the problem usually face by customer while using ATM . This study find that the main problem face by customer of SBI is that they get old currency notes from ATM of SBI. 21% people agree that often it's machine also get out of order. The main problem from ICICI ATM is that it's machine go out of cash and 18% says often it's ATM does not work.

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PART-2

Q1. In which bank do you have an account? (Please tick as \surd)

a) ICICI ()

b) SBI ()

Q2. Does your bank provide ATM services? (Please tick as \surd)

a) Yes ()

b) No ()

c) Don't know ()

Q3. How long you have been using ATM services? (Please tick appropriate choice as \surd)

a) From 1 - 12 months ()

b) From 1 - 2 years ()

c) From 2 -3 years ()

d) More than 3 years ()

Q4. How frequently do you use an ATM weekly? (Please tick as \surd)

a) 1-3 times ()

b) More than 3 times ()

Q5. In your opinion, the following factor(s) influence you to use the ATM of this bank ? (5= Strongly Agree , 4 = Agree, 3 = neutral , 2= Disagree , 1 = Strongly Disagree) (Please tick on the digit as √)

Trust and Security	5	4	3	2	1
Convenience in use	5	4	3	2	1
Speed	5	4	3	2	1
Cost	5	4	3	2	1
Fast cash withdrawal	5	4	3	2	1
Easy Availability	5	4	3	2	1
View accounts balance	5	4	3	2	1

Q6. Which of the following problems do you usually face while using ATM services of a bank? (Please tick as per your experience√).

Problems	Often	Rarely	Never
Poor visibility of statement			
Cards get blocked			
Machine out of order			
Unsuitable location of ATMs			
ATMs not working			
Provide old currency notes			
Machines out of cash			
Wrong amount of statement			