



## CUSTOMER ATTITUDE TOWARDS BANKING SERVICES IN COMMERCIAL BANKS - A STUDY IN THENI DISTRICT

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### **Abstract**

*This research paper is based on the attitudes of customers toward commercial banks in Theni District. The objective of the study is to analyze the level of customer attitudes toward commercial banks. The study was conducted among customers from various branches of commercial banks in Theni District. The present study is an earnest and sincere effort to survey, analyze, and evaluate the level of customer attitudes toward the services provided by commercial banks in an area like Theni, which has recently gained economic importance in the state of Tamil Nadu. The Chi-square test was used to determine the relationship between variables and to analyze the level of customer attitudes. This study surveyed 250 customers to determine their satisfaction level with the services provided by commercial banks in Theni District. Finally, conclusions are drawn and suggestions are offered based on the findings of the study.*

**Keywords:** *Commercial Bank, Chi-Square, Customer Attitudes.*

### **Introduction**

Indian banking industry has undergone tremendous changes ever since its origin in Indian soil. "Money makes money" is the basic idea of banking business. Banking sector as a whole takes a different form and structure over a period of its growth keeping its core business of "accepting deposits from public for the purpose of lending" intact. Inevitably this basic business function itself has to adopt more sophistication in order to achieve the twin objectives of conceptualisation the whole lot of banking function so as to make it more affordable to common man and to achieve the maximum return on investment (ROI) under the present competitive environment.

Originally the commercial banks in India were established under the private sector, In fact, they were intended to serve a few selected groups of people. Over the period of time, the scope of banking business has widened to serve thousands and thousands of people but still there is a large scope for extension. Interestingly, the size and volume of banking companies were increasing on the one hand and the number of banking failures was also increasing on the other. Only in 1969 and shortly thereafter, major banking companies in India were nationalised in order to accumulate national resources and to channelize them towards more productive activities. This radical change facilitates to extend the banking function to all nooks and corners of the country to cater to the needs of both "haves and have nots" equitably and judicially. All barriers in opening new branches have been removed and India becomes one of the countries having best banking system all over the world.

The banking activities have been undergone tremendous changes all over the world due to information technological revolution. More changes become inevitable to face the change reposed by new developments triggered by the entry of private and foreign banks in to India. The liberalization process initiated by the government of India has also brought about technological upgradation in financial sector as a whole. As a result, state-of- art technology is bound to be adopted in addition to the automating antiquated process. Speed and accuracy with which the financial data are processed due to



the application of information technology offers the banking sector an opportunity to cope with information explosion. Recent development in the Indian political scenario also which altered the edifice of financial structure through the introduction of a new way of taxation (GST) replacing the conventional one and de-monetization has also made great impact. No need to say print all these developments involved heavy capital investments in the form of sophisticated infrastructure facility as well as well trained man power forces. Apart from these, the potential threat that may be encountered due to the inherent features in the form of cyber crime coupled with ignorance of customers, being vast majority of banking customers are still lagging behind the technical the usages of technical peripherals for their banking uses.

### **Statement of the Problem**

The banking sector plays a crucial role in the economic development of a country by providing financial services such as savings, loans, investments, and payment facilities. Commercial banks act as an important link between the financial system and the public. In recent years, the banking industry has undergone significant changes due to technological advancements, increased competition, and rising customer expectations. As a result, the quality of services provided by commercial banks has become an important factor influencing customer attitudes and satisfaction. Customer attitude towards banking services is an important indicator of the performance and effectiveness of banks. Positive customer attitudes can lead to customer loyalty, increased usage of banking services, and overall growth of the banking sector. On the other hand, negative attitudes may reduce customer trust and affect the reputation of banks. Therefore, it is essential for commercial banks to understand how customers perceive the services provided to them. Theni District has been experiencing steady economic growth in recent years, which has led to an increase in banking activities and the expansion of commercial bank branches. However, differences may exist in the quality of services offered by banks and the level of satisfaction among customers. Understanding the attitudes of customers towards the services rendered by commercial banks in this district is therefore necessary. Hence, the present study attempts to examine and analyze the attitudes of customers towards the services provided by commercial banks in Theni District. The study also aims to identify the factors influencing customer attitudes and to provide suggestions for improving the quality of banking services

### **Review of Literature**

Chavda, Sandip. R (2015) In the analysis of the Level of customer attitudes about branch location of public and private sector banks customers are good in public sector banks and customers are more satisfied compared to the private sector bank.<sup>1</sup>

Amutha D (2016), In her article deals the consumers perception towards e-banking system related to consumer awareness towards e-banking system with special reference to Tuticorin District of Tamilnadu. It is found that 36.67% of the respondents income levels are up to Rs. 1,00,000, 52.22% of the respondents are Rs. 1,00,001 to Rs. 3,00,000 and 11.11% respondents are belonging to above Rs. 3,00,000 and the average income is 167222. The study reveals that, the opinion of customers on future expectations. Out of the total respondents, Majority (i.e.) 58.89% of the sample respondents have mentioned that they would like operate their banking transactions in a core banking environment which is free from neither technical intervention such as computer connecting nor 23.33% of the samples respondents expect the bank will provide security. 17.78% of the sample respondents have stated reasonable charges have to be imposed on their banking transaction. The main difficulty for using the E-banking facility is less knowledge about the operations of banking facility (50%).<sup>2</sup>



May Wang ,Stella Cho , Trey Denton, (2017) The results indicated that personalization leads to increased performance expectancy and decreased effort expectancy, which in turn lead to increasing intention to continue to use e-banking services. In addition, compatibility with previous e-banking experience and personalization produces an interaction effect on both performance expectancy and effort expectancy.<sup>3</sup>

Gupta Vijay Prakash(2018) It is found that the customer's attitudes level is highly and positively influenced by customer's perceptions regarding the adequacy of services rendered by the banks.<sup>4</sup>

DipaMulia , Hardius Usman,Novia Budi Parwan to, (2020), the study deals with Customer intimacy not only encourages the emergence of customer loyalty directly, but also affects the factors that determine customer loyalty itself, such as perceived usefulness, perceived ease of use, perceived risk, trust, sharia compliance and attitudes. In other words, customer intimacy has a direct and indirect influence on loyalty.<sup>5</sup>

### **Scope of the Study**

The study is designed to throw light on the various aspects of customer services rendered by the Commercial Bank in Theni and to know to what extent the branch has respected customer's preferences. This study covers the transaction made by customers that are directly related with the bank such as depositing cash, encashing cheques and receiving of loans. Effort has been taken to find out the level of customer attitudes in the following transactions involved by the customers in the branch in opening of an account, Depositing money, Withdrawing cash, Encashing cheques, Collecting of Cheque and Raising Loan. Also efforts were made to extend the scope to cover the experiences of the customers including all categories in order to derive inference on the results with regards to the efficiency of the customer services.

**Objectives:** To determine the level of attitudes of customers towards Commercial Bank

### **Methodology**

The present study is an empirical case study primarily based on survey method. Data were collected from the customers and executives of the bank selected for the study and based on the both primary and secondary data. Data were collected with the help of a well-constructed interview schedule. Due care was taken to include representation of businessmen, professional people, private and government employees. Also some information about the customer of the bank has been collected from the second level officers of the Commercial Bank in Theni. The secondary data for the study was collected from sources like Journals, Newspaper, Magazine and Websites.

**Tools of Analysis:** Chi-square test is used to find out the level of attitudes and percentage analysis to find out the Demographic Consideration of Commercial Banks in the study area

**Period of the Study:** As far as the primary data are concerned, the fieldwork was carried out during the month of August 2025 – January 2026.

**Sampling Design:** Since the study was concerned with the customers' attitudes in the commercial banks at Theni district. The sample size taken up for the limited to Two fivety(250) customers of State Bank of India and ICICI bank the researcher used convenient sampling technique. However an accurate data relating to active account holders could not be gathered. The present study includes a



sample size of 250 respondents of the bank. All these respondents were selected in a random and convenient manner from the overall list of customers of the bank.

**Hypotheses of the Study:** There is no significant relationship between gender, age, literacy level, occupation, income and marital status of the respondents and their level of attitudes towards the Commercial Bank's customer services.

**Limitations**

This study has the following limitations. The study is taken from the limited sample and not from the whole population. Due to a limited period, the samples are also found to be a limited one.

**Result and Discussions**

**Table1: Demographic Consideration of the Respondents**

Variables/Classification	No.of Respondents	Percentage
<b>Gender</b>		
Male	148	59.2
Female	102	40.8
Age		
20-30	69	27.6
30-40	82	32.8
40-50	55	22
Above 50	44	17.6
Marital Status		
Married	146	58.4
Unmarried	104	41.6
Occupational Level		
Business	42	16.8
Agriculture	25	10
Professional	51	20.4
Government Employee	79	31.6
Private Employee	53	21.2
Educational		
School	41	16.4
Diploma	43	17.2
Under graduate	70	28
Post graduate	51	20.4
Professional	45	18
Income Group		
Less than 20000	39	15.6
20000-30000	67	26.8
30000-40000	81	32.4
40000-50000	37	14.8
Above – 50000	26	10.4

Source: Primary Data



Table 1 shows the demographic profile of the respondents. Out of the total 250 respondents, 148 (59.2%) are male and 102 (40.8%) are female. With regard to age, 69 respondents (27.6%) belong to the age group of 20–30 years, 82 respondents (32.8%) belong to the age group of 30–40 years, 55 respondents (22%) belong to the age group of 40–50 years, and 44 respondents (17.6%) are above 50 years. In terms of marital status, 146 respondents (58.4%) are married and 104 respondents (41.6%) are unmarried. Regarding occupation, 79 respondents (31.6%) are government employees, 53 respondents (21.2%) are private employees, 51 respondents (20.4%) are professionals, 42 respondents (16.8%) are engaged in business, and 25 respondents (10%) are involved in agriculture. With respect to educational qualification, 70 respondents (28%) are undergraduates, 51 respondents (20.4%) are postgraduates, 45 respondents (18%) have professional qualifications, 43 respondents (17.2%) hold diplomas, and 41 respondents (16.4%) have completed education up to school level. Regarding income level, 81 respondents (32.4%) belong to the income group of Rs.30,000–40,000, 67 respondents (26.8%) fall under the income group of Rs.20,000–30,000, 39 respondents (15.6%) earn less than Rs.20,000, 37 respondents (14.8%) belong to the income group of Rs.40,000–50,000, and 26 respondents (10.4%) earn above Rs.50,000.

### Analysis of Customer Attitudes

For the purpose of analysing various characteristics of the sample respondents, percentage analysis was used. In order to analyse the level of attitudes of Commercial Bank, Chi-square test was used. The level of attitudes is determined by using three point scale. On the basis of scores obtained by each respondent, the respondents are grouped into high, medium and low level of stress by finding their average scores and standard deviation. Arithmetic Mean ( $\bar{x}$ ) and Standard Deviation ( $\sigma$ ) of the total score of 250 respondents were computed. Scores above or equal to  $\bar{x} + \sigma$  are considered to be of ‘high level’ stress, score less than or equal to  $\bar{x} - \sigma$  are treated as the low level stress and the score in between ( $\bar{x} + \sigma$ ) and ( $\bar{x} - \sigma$ ) are considered as medium level.

**Table 2 Chi-Square Analysis**

Hypothesis	Chi-Square Value		Degrees of Freedom	Hypothesis Rejected/Accepted
	Calculated Value	Table value		
Gender and their level of Attitudes	3.45	5.99	2	Accepted
Age and the customer attitudes	10.45	12.6	6	Accepted
Marital status and customer attitudes	11.27	5.99	2	Rejected
Educational level and level of Attitudes	5.36	15.5	8	Accepted
Occupation and level of attitudes	33.21	15.5	8	Rejected
Income level and level of attitudes	11.27	15.5	8	Accepted

Sources: Computed Data

It is inferred from table 2 that calculated the value of gender, age, educational level and income is less than the table value. Hence, the hypothesis is accepted. From the chi-square test, it is found out that there is no relationship between the gender, age, educational level, income and customer attitudes.



From the above analysis, it is found that the calculated value exceeds the table value, the null hypothesis is rejected. The occupation and level of attitudes and marital status and customer attitudes has a significant relationship.

### **Suggestions**

Since the customer does not know all the services, it is suggested that the bank may bring out some suitable brochures and pamphlets highlighting each and every service rendered by the bank.

1. The management may introduce a suggestion book to know the customers' ideas, opinions, dealers and requirement so as to take follow-up action on the specific suggestion.
2. "Service delayed is service denied". So, the banker is expected to serve the customers without any delay and it is advisable to follow the 'Time Management Principles' consistently.
3. The formalities regarding opening an account and availing loans should clearly be informed to the customer, which will reduce the unnecessary wastage of time.
4. Proper training should be given to the staff at the operational level for giving efficient service to the customers.
5. There is a significant relationship between occupation, marital status and level of attitudes towards the customer services, due to huge service charges levied by the bank and followed complex procedures for getting loans and advances.
6. Communication is the key to the success of the banking services. The bank should lay more emphasis on communication with the customers on regular basis by means of customer meet, appraising them with latest schemes, advising them in investment and so on, through circulars and news articles in the newspapers.
7. The concept of 'Customer Relationship' may also be introduced at each level in the bank. This can be very effectively achieved by going for customer surveys periodically at regular intervals. If there are certain complaints, those must be redressed at regular intervals to the attitudes of the customers. More propaganda must be made through various media while introducing various new loan facilities and scheme to their customers.
8. To overcome the problem of misuse of funds by some of the borrowers (if any), it is suggested that the bank shall enforce a strict control over the borrowers.
9. Analyzing individual customer behavior and needs are other aspects which provide a reasonably good customer service.
10. Along with the bank staff, there is a need for educating bank customers. Several customers are not aware of banking practices and hardly a few areas are aware of their rights. All India Depositor's Association is trying to educate the banking public.

### **Conclusion**

For the banking industry, prompt, accurate, quick and convenient delivery of service and schemes are very important. In order to complete the competitive situations, the bank should aim at customer's attitudes. Commercial Bank mainly depends upon some elements viz, creation and delivery at of the service, creation of wide range of services, making them which all suitable to customer needs, making the services more convenient. These all are achieved by the Commercial Bank through implementation of latest technology and introduction of creating and new schemes. Commercial Bank has received immense freedom to dynamically scale up resources with the underlying platform and clustering solution, the bank has also been able to increase its productivity. Also Commercial Bank has been turned into an open source deliver after the success of call center facility. The conclusion derived by the study is that Commercial Bank can further improve its better customer service by giving importance to Customize Customer Relationship Management (CRM) to a high degree and by



handling rapidly scaling call workload without any disruption in service. The findings of the study are expected to help the Commercial Bank towards maintaining its quality track and also in expanding its market.

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