



A STUDY ON CUSTOMERS SATISFACTION TOWARDS DEBIT CARD USERS IN COMMERCIAL BANKS (WITH SPECIAL REFERENCE TO RURAL AREAS IN TIRUVANNAMALI TALUK)

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1. Introduction

Banks are financial institutions which provide different services through deposit products, loan products, online services etc. Debit card is one of the prominent card services related to deposit products, which offers customers 24 hours banking access, such as cash withdrawals, deposits, balance enquiry, cheque book requisitions, purchase of goods and services etc., But sometimes customers are faced many problems i.e. non-availability of cash, network problems, lack of desire denominated currency notes, non-availability of own ATM centre, debit cards frauds, security problems and so on.

This paper reveals that find the satisfaction level of Debit card users of commercial banks in rural areas of Tiruvannamalai taluck.

2. Basic Concepts

2.1 E –Banking

E-Banking refers to Electronic Banking, where in the entire bank operations are done by customer through his computer systems, Laptop, Tablets or Smart phone by using code, which maintain secrecy of transactions.

2.2 Debit Cards

Debit card is a great financial tool, sources of plastic money which is used every day for making life easier by giving access to cash while transacting Debit card is a part of E-Banking services. It is a better alternative way of carrying cash or cheque book.

Debit card allows the customers to spend only up to the limit of balance available their account.

2.3 Customers Satisfaction

Customer's satisfaction gives an indication of how successful the organization is for its products or services in the market. Because, it is said that customer is the king of market. All the activities of the banks are directed towards customer's satisfaction which leads to customer's retention – a key factors for achieving the goal of banking business.

2.4 Review of Literature

Hug and Tania (2005) pointed out how the credit card users are satisfied. **Islam et al** (2005) fine out the satisfaction level of ATM users of HSBC Banks. Their study indicates that location, personnel response, quality of currency notes, promptness of card delivery and performs of ATM are positively related to the satisfaction of the customers.

P Mani (2013) in his research paper, "Debit card money a way for cash less payment systems" examined that Debit card i.e. usage of debit card was measured a luxury and has become needed. These plastic money and electronic payments was used by only higher income group. This facility extended not only to customers in urban areas or cities, but also to customer residing in rural area. However, today with development of banking and trading activity, the fixed income group or salaried classes are also start using the debit card money and electronic payment systems particularly debit card.

Sharma (2012) in her research paper " Debit card frauds and the counter measures: towards a safer payment mechanism" have thrown light on the number of frauds increased considerably in usage of plastic cards as in case of debit card frauds the most affected parties are the merchants of goods and services as they have to bear the full liability for losses due to frauds, the banks also bears some cost especially the indirect cost whereas the card holders are least affected because of limited consumer liability and concluded that all these losses can be dealt with by making the prudent use of new technology and taking the respective counter measure.

2.5 Objectives of the Study

1. To measures the satisfaction level of debit card users of different commercial banks,
2. To find out major problems faced by debit card users,
3. To recommend some policy measures for better service delivery and customers retentions.



2.6 Statement of the Problems

Debit card use at the point of sale has grown dramatically in recent years in India. The debit cards are used to withdraw cash from an ATM, purchase of goods and services at point of sale, E-commerce online purchase both domestically and internationally. However, it can use only for domestic fund transfer from one person to another. This increased usage of debit cards in urban and rural areas suggests the need for which the debit cards are used by the card holders.

2.7 Research Methodology

A convenient sampling technique was adopted to select the respondents. The sample size 90 debit card users from various rural areas in Tiruvannamalai taluck by using Questionnaire survey, through the interview method. For measuring factor basis satisfaction, a 5 point Likert-type scale has been used. It is assumed that 100%=5 Highly satisfied. So the class interval will be like : highly dissatisfied = 0%-19%, dissatisfied = 20%-39%, neutral = 40%=59%, satisfied = 60%-79% and highly satisfied = 80%-100%. The class interval is 20% and also percentage analysis and weighted average used for data analysis.

2.8 Limitation of the Study

In conducting this research the following limitation are faced:

1. Smaller respondent (only 90)
2. Shortage of time period
3. Some respondents are not answering properly and exactly
4. Study area cover only rural areas in Tiruvannamalai Taluck.

3. Data Analysis and Interpretation

Gaining high level of customer satisfaction is very important to a business because satisfied customers are most likely to be loyal and to make repeat orders and use a wide range of service offered by a business

3.1 Debit Card Characteristics

- Majority of respondents (74.5%) has only one debit card.
- Majority of respondents has been using the debit card for 1 to 5 years.
- Only 39.2% of respondents use the debit cards either daily or once in a week.
- Majority of debit card holder no restriction on usage of debit card.
- Majority of respondents (78%) have full control over the debit card usage.
- Majority of respondents (57%) says the problems while using debit cards.
- Majority of respondents (71.4%) state they have satisfaction while using a debit card transaction.
- Majority of respondents (65%) has knowledge about debit card usage.

3.2 Satisfaction Factors Analysis

The study shows that satisfaction of users is an essential determinant of success of the technology based services. Different factors affect user's satisfaction level differently. Findings from the calculation are discussed below:

Satisfaction Level of Customers at Different Factors

Factors	Highly Dissatisfied (1)	Dissatisfied (2)	Neutral (3)	Satisfied (4)	Highly satisfied (5)
Availability of cash	0	9	12	57	12
Different value denominated notes	0	10	16	44	20
Network services	9	20	27	18	16
Availability of receipts	6	17	10	39	18
Solving the problems by the bank	0	5	25	51	9
Service quality	0	9	16	56	9
Transaction cost	0	24	16	46	4
Purchase of goods & service	5	5	40	23	17
Availability of own ATM	9	16	17	26	22
Customers security on ATM	5	12	9	41	23
SMS alert	5	13	10	39	23

Source: own survey, 2016



- This study shows that average availability of cash in ATM are satisfied but not highly as the calculated mean value is 76%
- As per calculated mean value (76.4), Debit card holders are satisfied for different value denominated notes available in ATM
- This study shows that debit card users are some persons are satisfied regarding the network service. The mean value is 62.6% which is close to neutral value.
- Average respondent (70.2%) are satisfied regarding availability of receipt after transaction is completed to know about their account balance.
- The respondent were satisfied regarding the banks take care about solving the problems that customer face, the average value shows 74.2%
- Majority of Debit card holder (74.2%) are satisfied about service quality of ATM.
- 66.6% of Debit card holders are satisfied regarding the cost they are paying for debit card transaction.
- Only 69.3% of customers are satisfied about using debit card for purchasing of goods and service .
- The mean value is (68%) for availability of own ATM, the result indicate that the majority of banks have own ATM booth for access the customer to use from anywhere .
- This study shows that 74.4% of respondents are satisfied regarding customers security on ATM booth at any time.
- 73.7% of Debit card holders are satisfied towards SMS alerts for ATM transaction.

3.3 Weighted Average Satisfaction of Debit card users

The weighted mean value for all the factors of satisfaction is 71.44%, which lies in (value = 4). It means Debit card users are satisfied. So, it can be said that all banks are performing good in the debit card services. But to make customers highly satisfied the banks are implement some strategies.

4. Recommendations and Conclusion

4.1 Recommendations

For better Debit card service, the following strategies are suggested:

- Banks should develop the network service quality
- The bank should always provide receipt after the transaction is completed
- The banks should increase own ATM booth. As own booth is cost free, customers always prefer for use it
- The bank should provide free of service charges regarding purchasing of goods and service through Debit cards.
- The banks must provide better security service for its customers in ATM booths at any time.
- The banks should provide SMS alert after Debit card transaction is completed on ATM.

4.2 Conclusion

Ultimate goal of the bank is to maximize the wealth of owners. To achieve this goal, the bank must provide better service to its customers. The bankers should keep giving special service ATM booths to the debit card holders and try to maintain the quality of the service continuously.