



A Study of Satisfaction Level of Current Account Holders of Akola Urban Co-Operative Bank

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Abstract: Cooperative banks are witnessing steady growth and development, playing a crucial role in promoting financial inclusion, a cornerstone of economic and national advancement. These banks are particularly instrumental in supporting micro and small enterprises in their business endeavors. Renowned for their customer-centric services, cooperative banks contribute significantly to the financial landscape. This research paper focuses on The Akola Urban Co-operative Bank Ltd., analyzing the overall satisfaction levels of its current account holders. Utilizing various statistical tools, the study delves into understanding customer satisfaction across different banking facilities such as overdrafts, RTGS/NEFT, demand drafts, and more. Furthermore, the paper emphasizes the importance of raising awareness about the services offered by cooperative banks. Customer feedback and recommendations are explored, highlighting areas for potential improvement, notably the enhancement of the bank's mobile banking services.

Key Words: Cooperative Bank, Current Account Holders, Mobile Banking

1. Introduction

The financial system encompasses a multitude of institutions, tools, and markets, with its foundation resting on four key pillars: financial institutions, financial assets, financial services, and financial markets. Serving as an indispensable component of the modern economy, the financial system plays a pivotal role in fostering development and expansion. Its primary function lies in facilitating the transfer of financial resources from those with surplus funds, who spend less than they earn, to those in need of capital, who earn less than they spend. Within the Indian context, the financial system is broadly categorized into two sectors: the Organized sector and the Unorganized sector.

In 1929, the Indian Central Banking Enquiry Committee conducted a survey to address the challenges facing the Indian banking system. Recognizing the necessity for a centralized banking institution, the committee advocated for the establishment of a bank through the enactment of relevant provisions in the Indian Companies Act of 1913. Consequently, post-independence, the Indian government undertook numerous initiatives to enhance and streamline the operations of the Indian banking sector. Notably, in 1969 and 1980, the Government of India nationalized approximately 14 major commercial banks and six commercial banks, respectively, aiming to exert greater control over credit distribution. This initiative spurred a widespread expansion of banking branches, particularly in rural areas, aiming to supplant the village moneylender, who often imposed exorbitant and inhibitory terms on rural finance, hindering the development of Indian agriculture.

The cooperative banking sector emerged as a vital component of the financial landscape, comprising primary cooperative credit societies, central cooperative banks, and state cooperative banks. Among these, the Akola Urban Co-Operative Bank stands out as the largest cooperative bank in the Vidarbha, Marathwada, and Khandesh regions. Established on 05/02/1984 with a modest capital of Rs. 1.13 lakhs, the bank has since grown substantially, with its capital now standing at Rs. 51.26 crores. Recognized as a Scheduled Bank by the RBI on 22/05/1999, the Akola Urban Co-Operative Bank, like its counterparts, offers a range of financial services, including accepting deposits and providing loans and advances. This report focuses on evaluating the satisfaction levels of current account holders within the bank, providing comprehensive insights into all facets related to the bank's current account services.

2. Research Methodology

Raghuram A (2005) a research thesis on "Customer services in banks with special reference to customer perfection and satisfaction" The research states about the socio-economic status of customers, the service requirements of customers of different income groups and social status, customer's perception about the services provided by sample banks. The researcher has taken Corporation Bank, Syndicate Bank, Karnataka Bank, and some other banks as samples to study services provided to customers. The sample does not include any co-operative bank in the study. A study on customer satisfaction of co-operative banks cannot be found. Irrespective of co-operative banks being an important part of Indian banking system. Hence there is need to study co-operative banks and the services provided by these banks to their customers. In this report specifically the satisfaction level of current account holders of a co-operative bank will be studied.

Pathak B.V. (2009) in book "The Indian Financial System: Markets, Institutions and Services" author has given the detail description of the financial system comprising of Markets, various Institutions in Finance system and Services which come under Indian Financial System. The book provides just the outline of a cooperative banking system. In this research many aspects of urban co-operative banks will be explained along with the importance of co-operative banks in today's developing

economy. As urban co-operative banks are growing day by day, they are contributing to the growth and development of the country's economy. Hence there is the need to study this topic.

Dhandayuthapani. S. P. (2012) a research thesis on "E-banking practices and customer satisfaction in Thanjavur district Tamilnadu an empirical study." This research states about the customer satisfaction with respect to e-banking practices in Thanjavur district of Tamil Nadu. The research is in generalized form. It includes all types of banks in Thanjavur district. But there is need to do specific research on co-operative banks and customer satisfaction with these banks. Hence this study will state the satisfaction of current account holders of a co-operative bank.

Singh S. (2012) research thesis on "Banking Services and Customer Satisfaction" is focused on how the emergence of new forms of technology had created highly competitive market conditions for bank providers. Also compares the extent of customer satisfaction with the quality of banking services on the basis of different constituent factors. The thesis states the satisfaction of the customers with the banking services provided by various banks. The thesis does not specifically focus on the services provided by co-operative banks. Hence there is the need to know about the services provided by co-operative banks and bring co-operative banks in limelight so that the burden on the other public sector banks is reduced and at the same time will lead to the growth of co-operative banking sector.

Gokilavani. R (2013) a research thesis on "A study on impact of service quality and customer satisfaction with special reference to SBI in Coimbatore district." The research thesis has elaborated the impacts of service quality provided to the bank customer along with their satisfaction for services provided in special reference to State Bank of India in Coimbatore district. Here national bank is focused. But along with nationalized banks in India the co-operative banking sector is also playing vital role in quality services and customer satisfaction also.

Rathod Bharat Vitthal (2013) a research thesis on "A study of financial performance of co-operative banks with special reference to Pune city." The study is about the financial performance of urban co-operative banks in Pune city. It does not include customer satisfaction with these banks. It studies the financial performance of these banks, whether they are profit-making or not and whether their financial performance is satisfactory or not. Hence the satisfaction level of customers of co-operative banks needs to be studied as it has not been studied earlier.

Bellarmin Diana S. (2014) a research thesis on "A study on customer satisfaction towards e-banking with special reference to SBI and ICICI Bank in Thanjavur town." The study states the comparison between the SBI and ICICI Bank with respect to customer satisfaction with e-banking services provided by these banks. SBI and ICICI Bank are among the Domestic systematically important banks in India. These banks have a huge customer base. Therefore, there is scope of research on this. But on the other hand, co-operative banks also need research to be done on various aspects, hence in this report the satisfaction level of current account holders of a co-operative bank is studied.

Sumathi Pearly Marry (2015) a research thesis on "Customer satisfaction towards services rendered by commercial banks with particular reference to Indian Bank in Kanyakumari district." The research states the customer satisfaction of the customers of Indian Bank in Kanyakumari district. Indian Bank is nationalized public sector bank. A study of the customer satisfaction of nationalized banks is done by many researchers in some or other way. The study of customer satisfaction of co-operative banks is rare. But in today's growing economy in which co-operative banks play an important role there is a need to study co-operative banks, make people aware of the services provided by co-operative banks a. Hence in this study the satisfaction level of current account holders of a cooperative bank is studied.

Hammed F. Shahul (2016) a research thesis on "A study of customer perception towards banking services with reference to selected public sector banks in Thanjavur district." The study states about the reasons for investment in bank and the factors motivating to open an account in public sector banks, assess the level of opinion on procedure adopted in opening account, availing loan and the service charges for various services offered in public sector banks, level of satisfaction of customer with regard to basic services offered by public sector banks, analysis of the awareness of customer towards the modern facilities offered by public sector banks. The study is limited to public sector banks. In the current situation there is the need to study co-operative banks, which is lacking. Hence in this report the study of the satisfaction level of current account holders of a co-operative bank is done.

Gaikwad. P. R. (2016) a research thesis on "A study of services marketing and customer satisfaction in urban co-operative banks." This is a study regarding customer satisfaction of urban co-operative banks. This study showcases the importance of co-operative banking sector in Indian economy. It necessitates the deep study of co-operative banks and their customer satisfaction in India.

Sharma S. (2017) in research thesis "Customer Satisfaction in Banking a Case Study of HDFC Bank" is the detailed analysis of HDFC Bank in special context to Customer Satisfaction. The thesis states about the overall satisfaction of customers. It talks in the context of all the services provided by the bank. But this research will be focusing only on the satisfaction level of current account holders that too of a cooperative bank.

Rajendra. P. (2017) a research thesis on "A study on customer satisfaction of commercial banks with special reference to Ramanathapuram district." This is the generalized study on customer satisfaction regarding banking services provided by all commercial banks in Ramanathapuram district. But there is specifically needed to study the customer satisfaction of co-operative banks as these banks are emerging and forms an important part of Indian banking system.

Sekar. M (2017) a research thesis on "Customer satisfaction of new generation banks in India with special reference to Tamilnadu." This research thesis is about new generation banks which are newly emerged and are playing an important role in providing best quality banking services to their customers. Although the concept of co-operative banks is not new, they are emerging banks nowadays. Hence there is a need to study the customer satisfaction of the customers of these banks and make people aware of the services provided by co-operative banks.

Sharma Shivani (2017) a research thesis on “Customer satisfaction in banks a case study of HDFC Bank.” The researcher has studied the satisfaction of the customers of HDFC Bank. HDFC Bank is the largest private sector bank in India. Is one of the three banks which are provided with the status of Domestic Systematically Important Banks in India. The other two are State Bank of India and ICICI Bank. The customer base of HDFC Bank is huge. People in large number are customers of the Bank and are availing the services provided by the bank. On the other hand, co-operative banks are not so popular among people. It can be said that co-operative banks are emerging currently as the best service providers to their customers. Hence there is the need to study co-operative banks as they are emerging. Hence in this report one part of co-operative banks that is the current account holder’s satisfaction level of a co-operative bank is studied.

3. Problem Formulation

The research objective of the study is to know the satisfaction level of current account holders of The Akola Urban Co-operative Bank. Hence to achieve the above research objective the Hypothesis is framed as:

H0: The current account holders of The Akola Urban Cooperative Bank are not satisfied with the services provided by the bank.

H1: The current account holders of The Akola Urban Cooperative Bank are satisfied with the services provided by the bank.

Sampling Design:

- **Universe:** The universe of the study is all current account holders of the Akola Urban Cooperative Bank Ltd.
- **Sampling Method:** To choose the representative samples from the universe a simple random sampling method is used.
- **Sampling Size:** From the universe of all current account holders 100 samples were selected to complete the aims and objectives of the study.
- **Data Analysis:** The statistical tool of percentage was used to analyze the primary data collected. Data collected from the questionnaire was converted into statistical form for data analysis. To analyze and describe the data tables and pie charts are made with detailed description.
- **Utility of Research:** The research on the satisfaction level of current account holders of the Akola Urban Cooperative Bank Ltd will be beneficial for the bank. Data analysis and suggestions given in research will help banks to find the lacuna in their system and improve it accordingly. Whether current account holders are satisfied are not, what the problems faced by them will come to know to the bank.
- **Limitations of the Research:** The present study is limited to analysis and description of the satisfaction level of current account holders of The Akola Urban Cooperative Bank Ltd.

4. Data Analysis

In pursuit of the research objective, feedback was gathered from account holders of the Akola Urban Co-operative Bank Ltd. Among the most significant feedback received, which bolsters the research objective, is related to the utilization of the bank's services. Analysis reveals that 68% of current account holders consistently utilize these services, while 24% do so frequently, and 8% rarely access the facilities. Notably, there are no current account holders within the bank who never or very rarely avail themselves of these facilities. Detailed data is presented in Table No.1 below.

TABLE. 1

Facility Consumption	No. of respondents	Percentage
Never	0	0%
Very rarely	0	0%
Rarely	8	8%
Frequently	24	24%
Always	68	68%
Total	100	100%

Overall satisfaction level

To achieve the Research objective and to prove the hypothesis testing the overall satisfaction level analyzed and on the basis of the sample, the study depicted that 40% of the current account holders are highly satisfied about the services provided by the bank whereas 56% of the current account holders are satisfied and only 4% are on average satisfied with the bank as a whole.

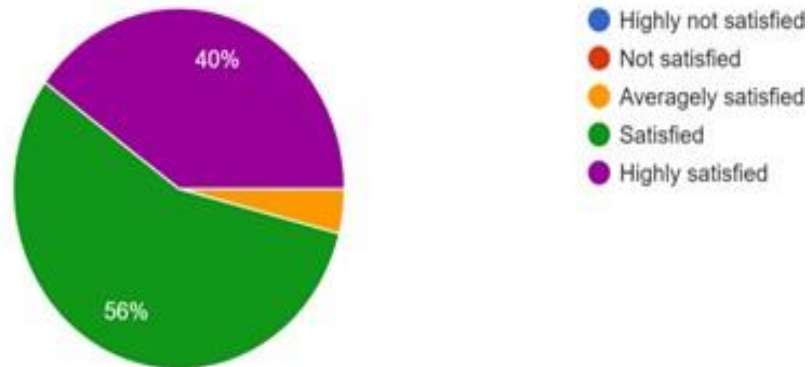
Hypothesis testing:

For the hypothesis testing the Chi Square Goodness of Fit test, is applied.

H0= The current account holders of The Akola Urban Cooperative Bank are not satisfied with the services provided by the bank

H1= The current account holders of The Akola Urban Cooperative Bank are satisfied with the services provided by the bank

Overall Satisfaction level as a current account holder of the bank



Overall Satisfaction Level

Table 2.

Category	Frequency	Percentage
Satisfied Customers (Satisfied + Highly Satisfied)	96	96%
Dissatisfied Customers (Neutral + Dissatisfied + Highly Dissatisfied)	4	4%

Let us assume the expected value of customers to be satisfied should be more than 75% and significance level 0.05%. The Chi² values are: 23.52.

TABLE 3

	Observed	Expected	Difference	Difference Sq.	Diff. Sq./ Exp Fr.
SATISFIED	96	75	21.00	441.00	5.88
DISATISFIED	4	25	-21.00	441.00	17.64
					23.520

The Chi² value is 23.52. The p-value is < .00001.

The result is significant at p <.05.

Since, the result is significant the null hypothesis is rejected and H1 is accepted, i.e. “The current account holders of The Akola Urban Cooperative Bank are satisfied with the services provided by the bank” is true.

8. Conclusion

While the Akola Urban Cooperative Bank offers a range of services, feedback from current account holders underscores a strong desire for improved mobile banking services. Users’ express dissatisfaction with the bank’s mobile application, citing difficulties in navigation and functionality. Comparisons with other bank applications reveal that competitors offer more advanced and user-friendly interfaces. Given the bank's developmental status, there is a pressing need to prioritize enhancements to its mobile banking application. Current account holders emphasize the importance of a user-friendly interface to facilitate seamless fund transfers and other transactions. Moreover, they highlight the superior ease of use found in applications such as Google Pay and PhonePe, emphasizing the need for the bank's mobile banking application to offer similarly effortless and swift transactions.

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