

Chapter 1

INTRODUCTION

1.1 INTRODUCTION

An automated teller machine (ATM) is an electronic banking outlet, which allows customers to complete the basic transaction without the aid of a branch representative or teller.

There are two primary types of automated teller machine, or ATMS. The basic units allow the customers to only withdraw cash and received a report of the accounts balance. The more complex machines will accept the deposits, facilitate credit card payments and report account information. To access the advance futures of the complex units, you will usually need to be a member of the bank that's operates the machine. ATMs are scattered throughout cities, allowing customer's easier access to theirs accounts. Anyone with a debit or credits card will be able to access most ATMs. Using a machine operated by your bang is usually free, but accessing funds through a unit owned by a competing bank will usually incur a small fee.

1.1.1 Area of the study

The researcher has restricted his field of study at Kohima District Nagaland which falls under north east India. Kohima district is mostly inhabited by local tribal people, but it also has a sizable amount of population from the plains and other part of India. Information's regarding the research topic are collected from the users of State Bank of India ATM who are residing in Kohima district. In this research the researcher aims to know the satisfactory level on customer satisfaction about the State Bank of India ATM in Kohima district.

1.2 Review of literature

Customer satisfaction has attracted serious research attention that, this project reviews the research on how to measure the level of customer satisfaction on SBI ATM with partial reference to Kohima district, and classifies research articles according to the approach and methodology. This project also tries to supply some insight about the state of measuring customer satisfaction in Kohima. A number of important research methods used for measuring customer satisfaction are defined and classified into different approaches based on the nature. Another important contribution of this report is to suggest some criteria which should be considered to make customer satisfaction measurement as a leading indicator of the financial performance.

1.3 Objectives of the study

- a) To know the functions of SBI ATM services.
- b) To know the accessibility and practical problem faced by the customer while using ATM.
- c) To know the satisfaction level of the customers on ATM services.

1.4 Research question

1. Why do customers in Kohima district prefer SBI services over other banks?

1.5 Research methods

1.5.1 Tools of data collection

Tools of data collection are the tools used for collecting the required data from the respondent for conducting the study. The researcher administered a Socio Demographic Data sheet developed by the researcher to record all information of the respondent like age, gender, occupation, and structural scale to collect the data.

1.5.2 Sources of data collection

Sources of data collection are the sources from where the information about the research is being sought, which provide a better understanding and deeper meaning of the research. There are primary and secondary source of data collection that had being used for this research.

1.5.3 Primary data

The primary data were collected from 15 people from Kohima district, Nagaland. The researcher has collected the primary data from 1st April 2021 to 15th April 2021 in Kohima district, Nagaland. The data was collected from 20 samples among the population.

1.5.4 Secondary data

The secondary data was collected from books, internet and articles.

1.5.5 Limitation of the study

Time was the most limiting factor of the study. Due to time constraint, vast and detailed information couldn't be able to collect and also the study is just confined to Kohima town only. The researcher took only 20 respondents as such the generalizability of these findings to other population is limited.

Chapter 2

Data analysis and interpretation

2.1 Introduction

Literature review is an integral part of research project. It is the collection of various materials related to the research topic that support the study through the process of reading, analyzing evaluating and summarizing. Literature review discloses appropriate theoretical structure of the study and shows the originality and relevance of the research problems and keep the researcher acquainted with the problems making it a reliable one. Literature review is important because it enable the researchers to acquire an understanding of the topic what has already been done and what the key issue are.

2.2 STATE BANK OF INDIA (SBI)

State bank of India is the country largest commercial bank. The government controls bank (the Indian government maintains stake of 59.40 percent in SBI) also operate the world's largest branch network, with 13,542 branch office throughout India and staffed by 2,22,933 employees as on march 31st 2011. SBI is also presents worldwide, with seven international subsidiaries in the United State, Canada, Bhutan, Nigeria, Mauritius and the United Kingdom and 156 branch offices in 32 countries.

2.3 EVOLUTION

The evolution of SBI can be trace back to the first decade of the 19th century. A plan for the semi-government bank was formulated in 1801 for stabilizing rate of interest and mobilizing credit. And so was the born bank of Calcutta on 2nd June 1806 hedged in a house at 8, post office street, Calcutta at a monthly rank of Rs.300. When the court of directors granted it a charter and re-designated it as a Bank of Bengal, it became the first joint-stock bank in British India. The bank was re-designated as the bank of

Bengal, three years later, on 2nd January 1809, it was the first ever joint-stock bank of British India, established under the sponsorship of government of Bengal.

All these banks were founded at the initiative of the British in the three presidencies into which the East India Company had divided their sphere of operation in India. The Bank of Bengal, Bombay and Madras were primarily Anglo-Indian creations and were brought into existence through the initiative of British officials and businessmen living in India. They derived their ideas from the experience in India and from the general feedback and experience in Britain about banks and other economic institutions and their relation with the government. These three banks remain at the apex of modern banking in India till their amalgamation as the Imperial Bank of India on 27th January 1921.

SBI was created on 1st January 1935. But this creation was preceded by years of deliberation on a need for a 'state bank of India'. What eventually emerged was a 'half-way house' combining the function of a commercial bank and a quasi-central bank. The establishment of the Reserve Bank of India as the central bank of the country in 1935 ended the quasi-central banking role of the Imperial Bank. The latter ceased to be bankers to the government of India and instead became an agent of the Reserve Bank for the transaction of the government business at a center at which the central bank was not established. But it continued to remain currency chests and small coins depots and operated the remittance facilities scheme for other banks and the public on terms stipulated by the Reserve Bank. The bank was also the biggest standard bearer at the Treasury bill auctions conducted by the Reserve Bank on behalf of the government.

An important turning point in the history of the State Bank of India was the launch of the first five-year plan of independent India, in 1951. The plan was aimed at serving the Indian economy in general and the rural sector of the country, in particular. Until the plan, the commercial banks of the country, including the Imperial Bank of India, confined their services to the urban sector. Moreover, they were not equipped to respond to the growing need of the economic revival taking shape in the rural areas of the country.

Therefore in order to serve the economy as a whole and rural sector in particular, the All India Rural Credit Survey Committee recommended the formation of a state-partnered and state-sponsored bank. The All India Rural Credit Survey Committee proposed the takeover of the imperial bank of India, and integrating with it, the former state-owned or state-associate banks. Subsequently, an act was passed in the parliament of India in May 1955. As a result, the state bank of India (SBI) established on 1st July 1955.

Today, the state bank of India is the country's oldest financial institution with a strong balance sheet size, number of branches, market capital and profit figures. It has undergone a transformation to keep up with the changing times. It has forayed into several new segments including strategic tie-ups for pensions funds, general insurance, custodial service, private equity, mobile banking, POS merchant acquisition, advisory services, a slew of new structured products etc.

2.4 SBI Global Factors Ltd. (SBIGFL)

SBIGFL is one of the leading factories companies in India which has the highest market share in export and import factoring. During the year 31st March 2011, the turnover of the company decreased to Rs.7,605 crores from Rs.12,978 as on 31st March 2010 due to the sluggish growth in industrial production during the year impacting the top line growth.

The company incurred a loss of Rs.135.62 crore earned on 31st March 2010 mainly on account of slowdown in economy and due to higher provisioning for NPAs and write-offs.

2.5 Associates of SBI

The state bank group with the network of 18266 branches including 4724 branches of its five associate banks, dominates the banking industry in India.

In addition to banking the group through its various subsidiaries provides a whole range of financial service with include life insurance, merchant banking, mutual funds, credit card, factoring, security trading, pension funds management and privacy dealership in the money market. SBI's five associate banks had a market share of 5.88% in deposit and 6.00% in advances as on the last Friday of March 2011. State bank of Indore, one of the associate banks was acquired on 26th August 2010 after the final approval from RBI and GOI. State bank of Saurashtra had been merged with state bank of India on 13 September 2008.

2.6 EVOLUTION OF ATM

The ATM finds its origin in the 1950s and 1960s, when self-service gas stations, supermarkets, automated public-transportation ticketing, and candy dispensers were popularized. The first cash machine seems to have been deployed in Japan in mid-1960s, according to a Pacific Stars and Stripes account at the time, but little has been published about it since. The most successful early deployments took place in Europe, where bankers responded to increasing unionization and rising labor costs by soliciting engineers to develop a solution for after-hours cash distribution. ATM channels provides opportunity for banks to go for competent and cost effective models. There was a belief that internet banking channel will make the ATM channel irrelevant. However, ATM channel has dominated the public technology segment, and future of ATM industry is also quite bright in India. New technological innovations emerge in our society on a continuous basis. But the diffusion of this technological innovation by the members of the society determines its success and continuation. In that sense, automated teller machine (ATM) is not an exception. With the advent of ATMs, banks are able to serve customers as well as the bankers, is that the plastic card is replacing all the hassles of bank transaction, personal attendance of the customers, banking our constraints, and paper based validation. Now a customers can withdraw money, deposit

money with and without envelop, transfer fund from card to account, pay insurance bills, apply for loans, book air and train tickets, movie tickets, and avail coupons. Even gold coins are possible to withdraw from ATMs counters. Now there is a societal shift towards ATM, as a personalized delivery channel. Multi vender's soft wears has brought a revolution in leading banks around the globe. Here, banks do not depends one single vendors to purchase software and hardware equipment's of ATM. As the technology supports to interpret multiple parts of ATM from different vendors, this arrangement put a competitive pressure on ATMs vendors. Multivendor software facilitates and independent decision making for the bank in the opting for hardware vendors reduces the cause of ownership of ATMs for the banks. Deployment of MVS (multivendor software) has also reduce infrastructure management issue in these banks. Definitely, it is a revolutionary concept to execute a simple software application in the entire ATMs network. The ATMs tech has develop to such an extent that some ATMs can memorized customer preferences as per their past transaction, behavior, and tailor, services accordingly. In many cases, ATMs have internet scope which facilitates two ways communication with live agents, provide biometric options, and have the ability to demonstrate personalize advertisement. Maintenance of web enabled ATMs are easy. These ATMs can be quickly connected to central monitoring systems of vendors. Within two decades ATM technology devotement is happening at an alarming rate. Gone are the days when customers were limited to only withdrawing cash from ATM's. We have now reached an era, where we can use multifunction's and biometric ATMs, equipped with touch sensitive and user friendly options to transfer funds, book air and train tickets, go for mobile recharge and even deposit cheques with scanning.

2.7 Growth of the Industry

As per the Global ATM Market and Forecasts to 2016, the maximum growth of ATMs is happening in Asia Pacific region. India and Indonesia are having one fourth of the number of ATMs, and China is accounted for half of the New ATMs. Worldwide growth of ATMs is steadily increasing. The growth of ATMs in western countries has reach at a mature stage. However, there is a lot of scope of growth of industry in the developing countries like India. In India, ATM industry is growing at an exponential rate. So to say, ATM has brought a self-service resolution. ATMs were introduced to the Indian banking industry during 1987 by HSBC bank in Mumbai. MrJaivinder Gill, MD of NCR India has stated, “As banks continue to open new branches, attract new customers, and encourage existing and new account holders to use cards, the Indian ATM industry is set to grow. Since many banks still operates proprietary networks, the increasing number of banking customers is likely to spur ATM growth.” ATM technology was used to reach the customers at the lower initial and transaction cost with hassle free services. As per an interaction with senior general managers (south asia channel partners and strategic alliance), ATM segment witnessed a growth rate of 30% since last five years in India. ATM terminals in India will be expected to grow at a compounded average growth rate of 25% between 2011 and 2015. There is now a service providers take the responsibility of identification of ATM installation site, connectivity and power arrangement, negotiation with landlords and finishing the interiors of ATM site. Banks do not have the core competencies to handle these issues. NCR Diebold and Wincor Nixdorf are the leading original ATM manufacturers in India. However, there are many brown level ATM service providers, which are connected with Indian banks. Now there is trend in India, to outsource ATM functions and activities like; ATM selection and installation, site up keeping, card insurance and management, transaction processing, field services, and provide technology solutions to connect ATMs by service providers.

2.8 Introduction

This chapter deals with the analysis and interpretation of the data collected which is an essential part of the research. The collected data needs to be analyzed the interpreted as it would serve no meaning. Analyzing information involves examining in ways that reveals the satisfaction level that can be found within. Based on the objectives of the study, the data have being interpreted and analyzed in the form of tables.

Table 2.8.1

Are you satisfied with the availability of ATM services?

Satisfaction level	No. of respondents	Percentage
Fully satisfied	12	80.00
Satisfied	1	6.7
Not satisfied	2	13.3
Total	15	100

Are you satisfied with the availability of ATM services?



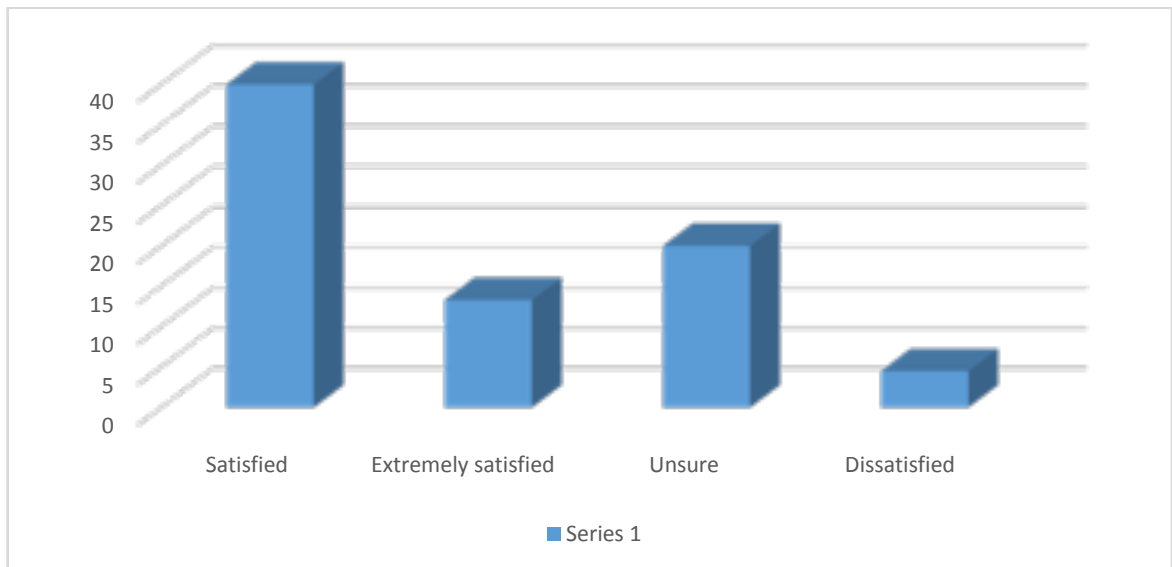
Bar chart 2.8.1

Fifteen respondents has• ask about the satisfaction level of the availability of A'TM service outOf which 80% of the respondents are fully satisfied. 13.3% of the respondents are not at all satisfied and 6.7% of the respondents are satisfied. The table also show that majority of the respondents are fully satisfied with the availability of the A'TM services in Kohima district.

Table 2.8.2

How do you feel about the condition of ATM?

Satisfactory level	No. of respondents	Percentage
Satisfied	6	40
Extremely satisfied	2	13.3
Unsure	3	20
Dissatisfied	4	26
Total	15	100



Bar chart 2.8.2

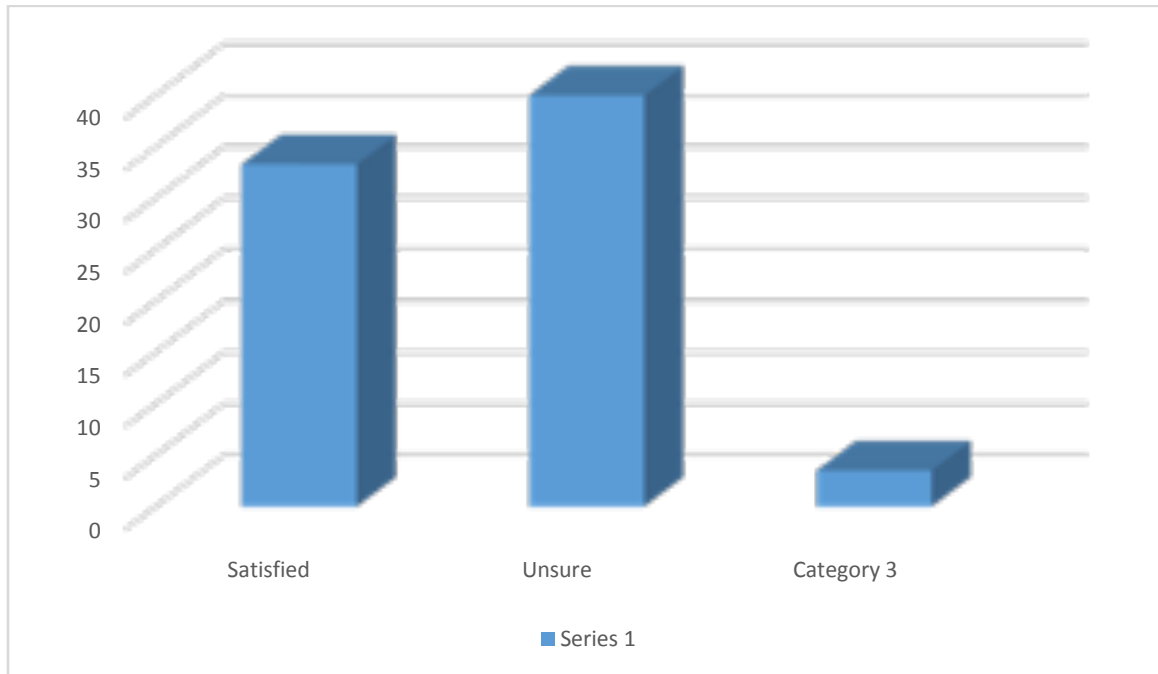
FIFTEEN Respondents have ask about the condition of bank ATM in Kohima district out of which 40% of the respondents are satisfied, 13.3% of the respondents are extremely satisfied, 20% of the respondents are unsure about it and 26% are dissatisfied. From the above table we learn that majority of the respondents are satisfied about the condition of bank ATM.

Table 2.8.3

How do you feel about the privacy and secrecy of bank ATM?

Satisfaction level	No. of respondents	Percentage
Satisfied	5	33.3
Unsure	6	40.0
Unsure	4	26.7
Total	15	100.0

How do you feel about the privacy and secrecy of bank ATM



BAR CHART 2.8.3

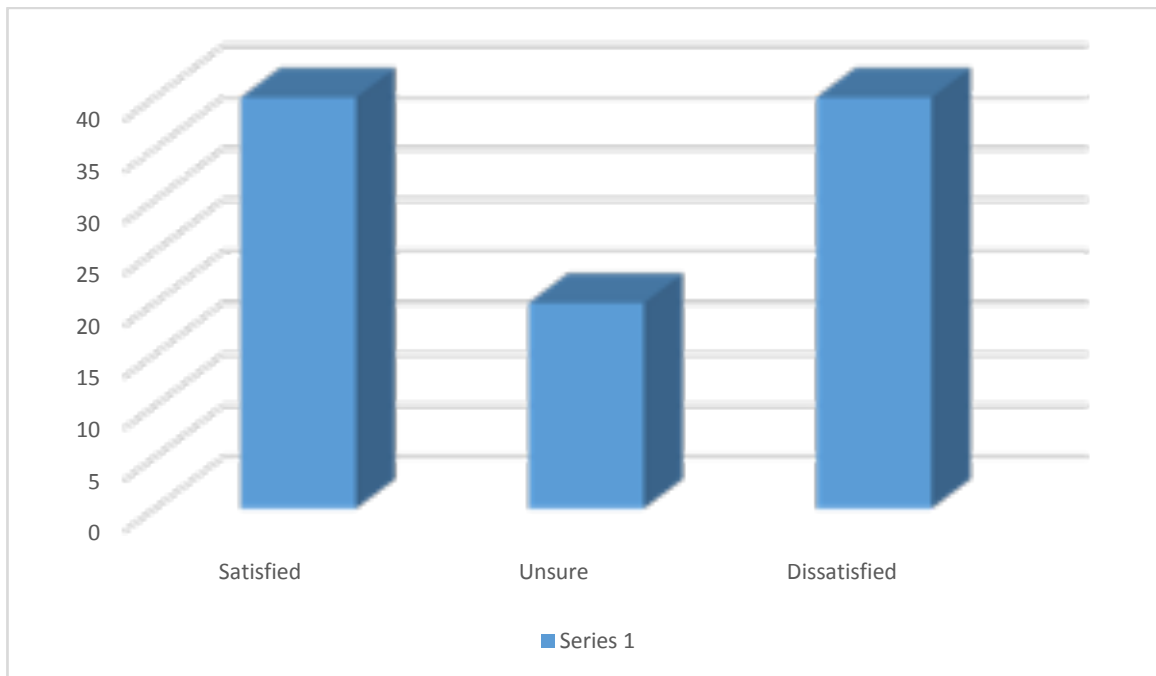
From the above table and bar chart we see that majority that is 40.0% of the respondents are unsure about the privacy and secrecy of bank ATM in Kohima district, the table also show that 33.3% of the respondents are satisfied, 26.7% of the respondents are dissatisfied about the privacy and secrecy of bank ATM.

TABLE 2.8.4

Are you satisfied with the cash availability in ATM?

satisfactory level	No. of respondents	Percentage
Satisfied	6	40.0
Unsure	3	20.0
Dissatisfied	6	40.0
total	15	100

Are you satisfied with the cash availability in ATM?



Bar chart 2.8.4

In table 4.4 we see that the majority of the respondents are equally satisfied and dissatisfied with regard to cash availability in ATM, and 20% of the respondents are unsure about it.

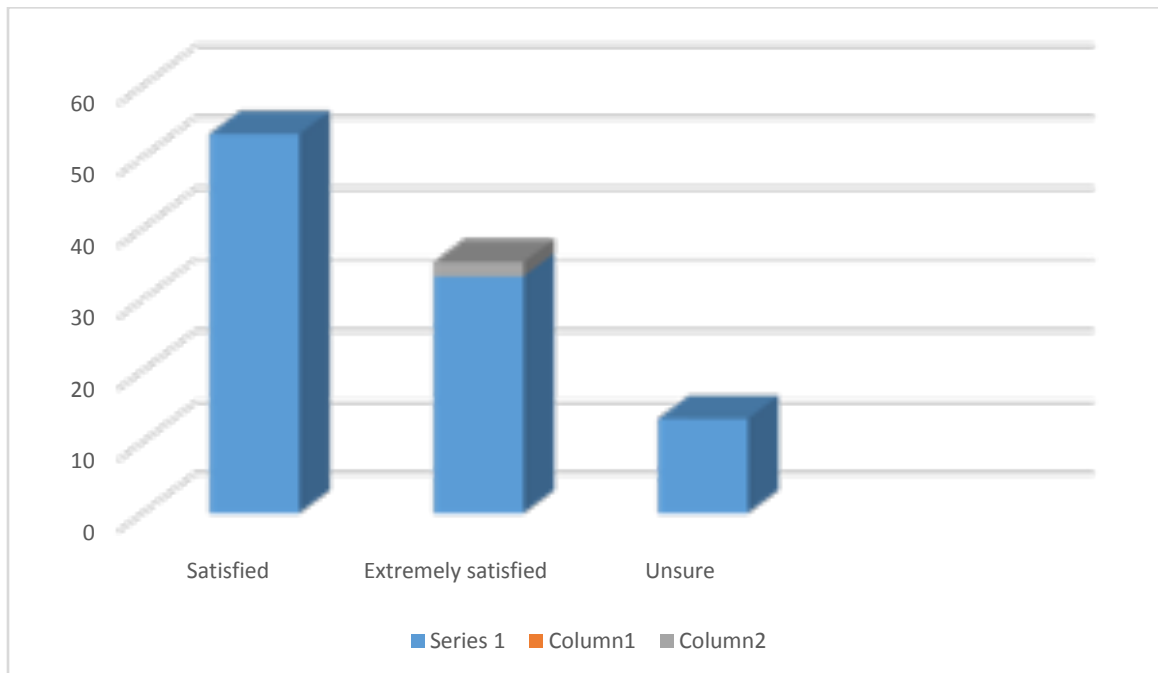
Table 2.8.5

Are you satisfied with the quality of notes from ATM?

Satisfactory level	No of respondents	Percentage
Satisfied	8	53.3
Extremely satisfied	5	33.3
Unsure	2	13.3
Total	15	100.0

Bar chart 2.8.5

Are you satisfied with the quality of notes from ATM?



Fifteen respondent have ask about the satisfactory level of the quality of notes from ATM service out of which 53.3% of the respondents are satisfied, 33.3% of the

respondents are extremely satisfied and 13.3% of the residents are unsure . The table also shows that majority of the respondents are satisfied with the quality of the note from ATM.

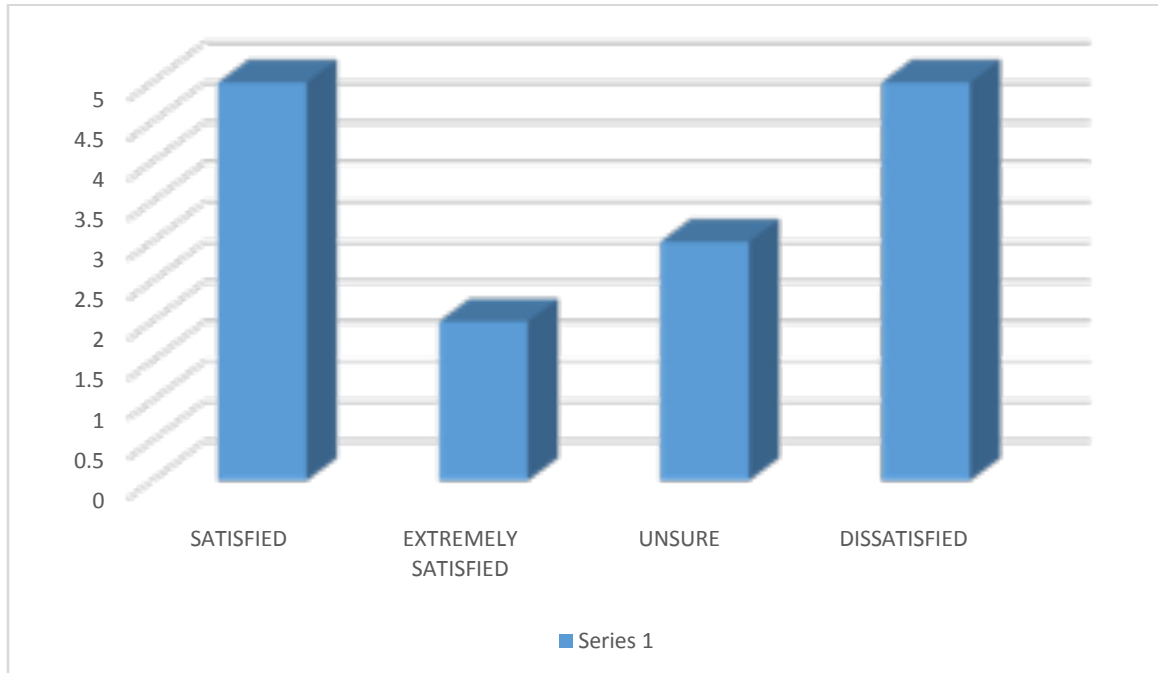
TABLE 2.8.6

ARE YOU SATISFIED WITH THE AVAILABILITY OF ATM BOOTHS

SATISFACTORY LEVEL	NO.OF RESPONDENTS	PERCENTAGE
Satisfied	5	33.3
Extremely satisfied	2	13.3
Unsure	3	20.0
Dissatisfied	5	33.3
Total	15	100.0

BAR CHART 2.8.6

ARE YOU SATISFIED WITH THE AVAILABILITY OF ATM BOOTHS



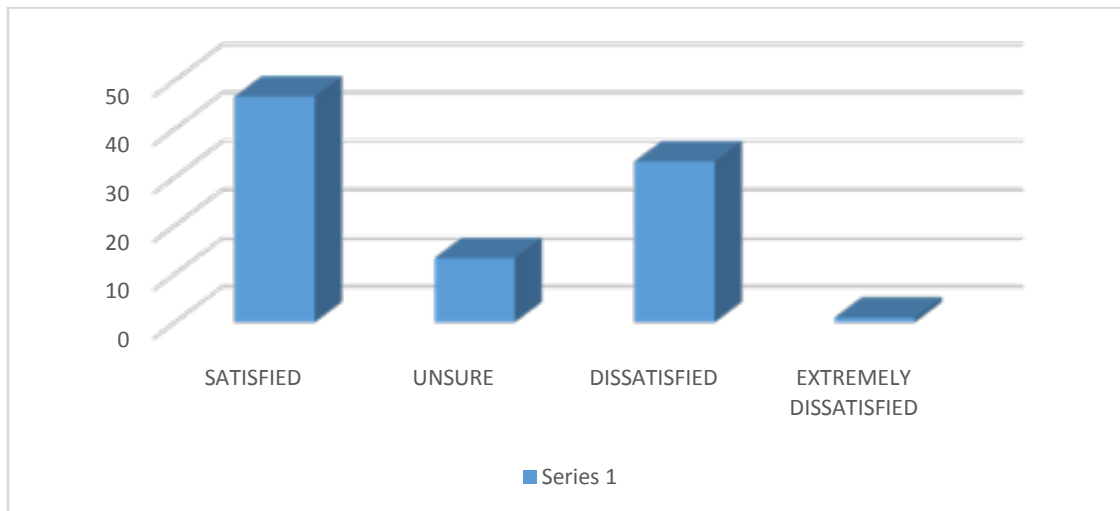
In table number 2.6 we see that majority of the respondents are equally satisfied and dissatisfied with the availability of ATM boots in Kohima district. We also see that 13.3% of the respondents are extremely satisfied and 20% of the respondents are unsure.

TABLE 2.8.7

ARE YOU SATISFIED WITH THE LIMIT ON DAILY WITHDRAWAL

SATISFACTION LEVEL	NO. OF RESPONDENTS	PERCENTAGE
Satisfied	7	46.7
Unsure	2	13.3
Dissatisfied	5	33.3
Extremely dissatisfied	1	6.7
Total	15	100.0

ARE YOU SATISFIED WITH THE LIMIT ON DAILY WITHDRAWAL



BAR CHART 2.8.7

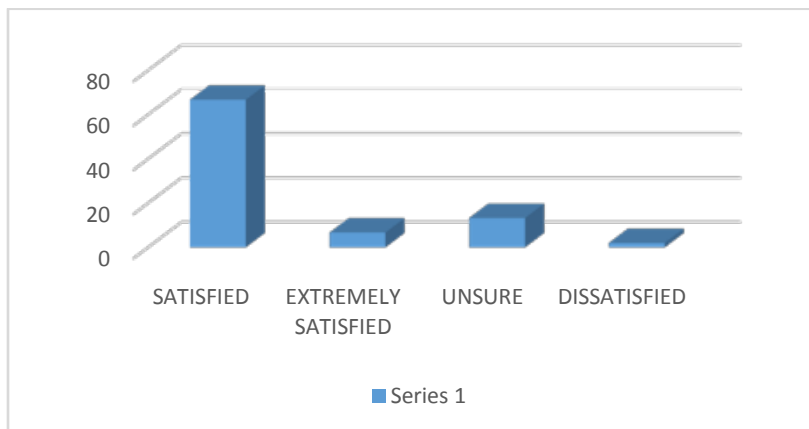
In table number 4.7 it is clearly visible that 46.7% of the respondents are satisfied, 13.3% of the respondents are unsure, 33.3% of the respondents are dissatisfied and 6.7% of the respondents are extremely dissatisfied with the limit on daily withdrawal. The table also shows that majority of the respondents are satisfied with the limit on daily withdrawal.

TABLE 2.8.8

ARE YOU SATISFIED WITH THE INFORMATION AFTER EVERY TRANSACTION DONE ON ATM

SATISFACTORY LEVEL	NO. OF RESPONDENTS	PERCENTAGE
Satisfied	10	66.7
Extremely satisfied	1	6.7
Unsure	2	13.3
Dissatisfied	2	13.3
Total	15	100.0

ARE YOU SATISFIED WITH THE INFORMATION AFTER EVERY TRANSACTION DONE ON ATM



BAR CHART 2.8.8

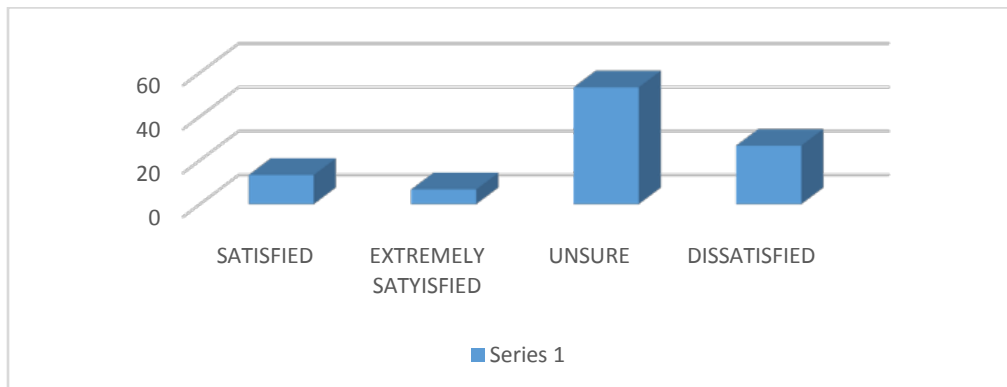
The table number 4.8 shows that, 66.7% of the respondents are satisfied, 6.7% respondents are extremely satisfied, 13.1% respondents are unsure and 13.1% of the respondents are dissatisfied with the information after every transaction done on atm. The table shows that majority of the respondents are satisfied with the information after every transaction done on ATM.

TABLE 2.8.9

ARE YOU SATISFIED WITH THE ATM FEES

SATIOSFACTORY LEVEL	NO. OF RESPONDENTS	PERCENTAGE
Satisfied	2	13.3
Extremely satisfied	1	6.7
Unsure	8	53.3
Dissatisfied	4	26.7
Total	15	100.0

Are you satisfied with the ATM FEES



BAR CHART 2.8.9

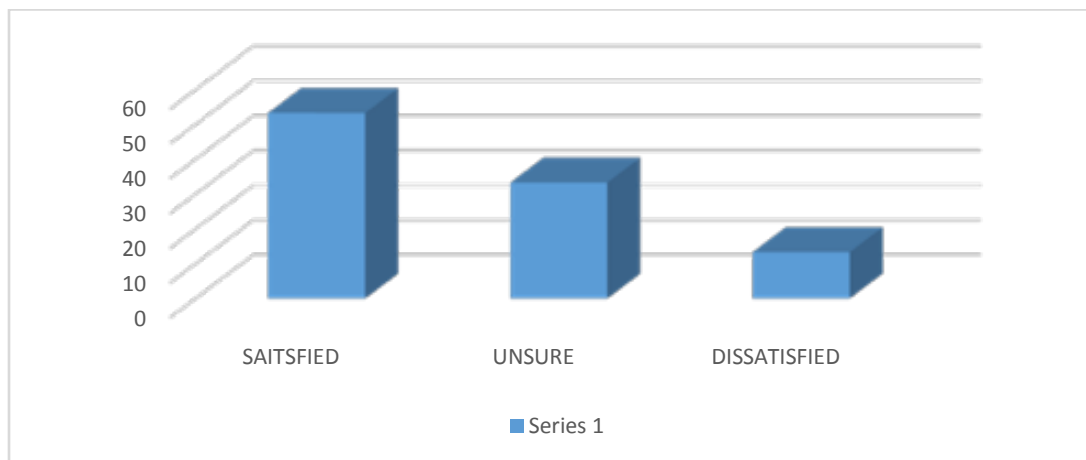
The above chart shows that 13.3% of the respondents are satisfied, 6.7% are extremely satisfied, 53.3% are unsure and 26.7% are dissatisfied with the ATM fees. The table and chart also shows that maximum of the respondents are unsure about the ATM fees.

TABLE 2.8.10

YOUR OVERALL SATISFACTORY LEVEL ABOUT THE ATM SERVICE

SATISFACTORY LEVEL	NO. OF RESPONDENTS	PERCENTAGE
Satisfied	8	53.3
Unsure	5	33.3
Dissatisfied	2	13.3
Total	15	100.0

Overall Satisfactory level about ATM services



Bar chart 2.8.10

In the table 2.10 we can see that 53.3% of the respondent are satisfied, 33.3% are unsure and 13.3% are dissatisfied with the overall satisfaction level about the ATM services. It also shows that majority of the respondents are satisfied with the overall satisfaction level about the ATM services.

2.9 Introduction

In research, findings are equally important as the other elements. This chapter deals with the findings, the mere collection of data and analysis does not complete the research, findings are the conclusion that is drawn out from the inquiry and analysis. The chapter gives conclusion and the knowledge that are drawn out from the study. This is done based on the data analysis and interpretation of the table.

2.10 Major findings

- a) From the above analysis we found out that majority of the respondent are fully satisfied with the availability of ATM service
- b) Maximum number of the respondent are satisfied with the condition of bank ATM
- c) After collecting the data and analysing them it is found out that, majority says that they are unsure whether there is a privacy and secrecy of SBI ATM
- d) The study show that there are equal number of respondents who are satisfied and dissatisfied with the cash availability in ATM
- e) From the analysis and table of the research it is found that the quality of notes that are available from ATM are satisfied
- f) It is found out that there are equal number of people who are satisfied and dissatisfied with the availability of ATM booths, the respondent in minority says that they are extremely satisfied

g) The researcher also found out that the respondent are satisfied with the limit on daily withdrawal, the respondents in minority says that they are extremely dissatisfied

Chapter 3 - Conclusion

3.1 Suggestions

- a) From the above study, it is suggested that there should privacy and secrecy in ATM booth.
- b) It is also suggested that there should be enough money in the ATM boothso that the public does not face any problem.
- c) The bank should also provide more ATM booth, because the population is increasing and the number of ATM user are also increasing.
- d) The bank should also increase the limit on daily cash withdrawal in order to satisfy the need of the customer.
- e) It is also suggested that the use of ATM should be free of cost and there should not be any charge for ATM.
- f) It is also suggested that the banks should provide better facilities on ATM in order to overcome the need of the customer.

3.2 Conclusion

The research was done to find out the facts and new knowledge. The researcher findings were done in order to draw conclusion and keeping in mind the objective of the research. The findings had mixed results, but looking at the analysis we see that majority of the are almost satisfied with the facility that are provided by the State Bank of India ATM.

This chapter tries to summaries the entire study that has being conducted on the research topic. In this study “A study on SBI ATM services and customer satisfaction with special reference to Kohima district" describe about the satisfaction level of customers on ATM services

In any research the major concern is to provide new insight, knowledge and develop new concepts.

First and foremost the researcher formulates the topic of the study according to the interest the researcher which will help the researcher to get a better understanding of the phenomena.

Secondly the researcher sets the major objective which is to understand the level of satisfactory on SBI ATM services. And on the basis of the objective some hypothesis are formulated. To carry out the research and in order to describe the data the researcher choose descriptive research design with a limitation of 15 respondents as samples.

After which the researcher collected information's from various sources such as books, internet, and researcher which have being carried out by other researcher. The researcher tries to understand the phenomena and then proceeds to the data collection. The data for the research was collected from 15 respondents from the people of Kohima district.

After the collection of data, an analysis and interpretation was done. The data were interpreted according to the tables which were produce, after which the findings were drawn out from the interpretation and study of the phenomena. The research is organized into iii chapters, the chapter I contain the introduction to the research, contains the literature review about the topic from the various sources, describe the methodology used by the researcher, chapter 2 deals with the analysis and the interpretation used by the researcher, and chapter 3 deals the conclusion of the study conducted by the researcher.

ANNEXURE

QUESTUINAIRES ON A STUDY OF STATE BANK OF INDIA ATM SERVICES AND CUSTOMER SATISFACTION WITH SPECIAL REFERENCE TO KOHIMA DISTRICT

I, **NEIKETOULIE RINO**, pursuing **BACHELOR OF COMMERCE, NAGALAND UNIVERSITY**. I am undertaking a research on the topic “A STUDY ON STATE BANK OF INDIA ATM SERVICES AND CUSTOMER SATISFACTION WITH SPECIAL REFERENCE TO KOHIMA DISTRICT”.

Therefore I have designed a questionnaire to obtain your view and satisfaction level on SBI ATM. The information you provide will be strictly kept confidential and shall pertain to academic purpose only.

Section A: Socio Demographic Profile

1. NAME: _____

2. GENDER: _____

3. AGE: _____

4. OCCUPATION: _____

Section B: Tools for measuring customer’s satisfaction

1. How often do you visit ATM?

- A. Daily
- B. Weekly
- C. Monthly
- D. Yearly

2. For what purpose do you use ATM?

- A. Withdraw
- B. Deposits
- C. Fund Transfer
- D. All of the above

S- Satisfied, ES- Extremely satisfied, U-unsure, D- Dissatisfied, ED- Extremely dissatisfied.

SL. No	CRITERIA	S	ES	U	D	ED
1	Are you satisfied with the availability of ATM service?					
2	How do you feel about the condition of the bank's ATM?					
3	How do you feel about the privacy and secrecy of the bank's ATM?					
4	Are you satisfied with the cash availability in ATM?					
5	Are you satisfied with the quality of notes from ATM?					
6	Are you satisfied with the availability of ATM booth?					
7	Are you satisfied with the limit on daily withdrawal?					
8	Are you satisfied with the information after ever transaction done on ATM?					
9	How do you feel about the ATM fees?					
10	Your overall satisfactory level about the ATM service.					
11	Are you satisfied with the service of cash deposited in ATMs					
12	How do you feel about service of transferring fund via ATMs?					