



Factors Affecting the Preference of Women Regarding Selection of Bank for Availing Banking Products and Services with Reference to Selected Cities of Saurashtra Region

ABSTRACT

The study analyses the factors considered important by woman in selection of bank for availing banking products and services in major cities of Saurashtra region. The researcher would research about whether women know the difference between private sector, public sector and co-operative bank or not. Besides, to find she finds bank account opening procedure easy or she needs assistance of bank employee. The research will be based on survey of 500 women respondents belonging to various cities like Rajkot, Amreli, Surendranagar, Junagadh, Somnath, Jamnagar, Bhavnagar, Morbi and Porbandar. The woman sample varies in age, marital status, family status, education, Occupation and annual income. The study relied on selected factors extracted from reliable literature, personal interview and questionnaire filled by respondents. The findings will reveal the most important factor influencing woman for selection of bank like bank reputation, its location, bank services, online banking facility, bank charges, number of branches, convenient banking hours, mobile banking facility and so on. Findings also suggest that there are some of significant statistical variations among woman related to factors considered important in selection of bank.

Key words: Bank Selection, Influencing factors, Preference of Woman, major cities of Saurashtra region.

1. INTRODUCTION

India's economy has undergone a substantial transformation since the country's independence in 1947. Indian banking is the nerve of economic system, accelerated the process of economic development through channelize adequate finance. India being the world's second largest populated country, the world economies is seeing it as their potential market. Indian markets in urban areas have grown appreciably and are on the verge of saturation, so corporates have started tapping rural markets, since more than 60 per cent of India's population lives in rural areas. In India, only 26% of women have an account with a formal financial institution, compared with 46% of men. That means an account in either a bank, a credit union, a co-operative, post office or a microfinance institution, according to a study by the World Bank. Also, for women, per capita credit is 80 per cent lower than males.¹

Furthermore, the results of a study using a global dataset covering 350 Microfinance Institution in 70 countries reveals that more women clients is associated with lower portfolio-at-risk, lower write-offs, and lower credit-loss provision. When banks across the world are falling the Indian banks are safe, steady and strong, and act like a strong backbone of the economy. The banking sector in India is on a growing trend. It has vastly benefitted from the surge in disposable income of individuals in the country.

2. GLOBAL TRENDS IN BANKING SYSTEM

Universally, the banks are identifying the requirement to embrace technology in the vast area of products and services to compete successfully in the years ahead. Banks perceive the future of the financial services industry as day by day, becoming heavily dependent on electronic delivery mechanism and are working towards bringing banking right into their customer's homes. There has been a noteworthy tilt towards technology-driven products and services. Below mentioned are the visible trends in the banking

system. Majority of the banks are installing more and more ATMs for banking transactions. Telephone banking, Credit cards and debit cards are finding increased acceptance of the customers. The smart cards are offered by only a very few of the banks, but almost all the banks plan to offer these in the future. PC banking is one more service which is finding wider acceptance. To give customers more choices for collecting their cash, the banks are restoring to have non-traditional branches such as supermarkets and video kiosks, smarter smart cards to execute commercial transactions at Internet. Digital signatures are used for more secure banking transactions. Globally, the banks are poised to use technology that will gradually give new dimensions to the banking products, services and delivery systems.²

3. TARGETING WOMEN

Inspite of, rapid economic growth, there is inability of women to participate in the profound growth of Indian economy. Women in India have always worked and participated in commercial activities, their work is undervalued. Cultural and societal barriers are still preventing for women in setting up her own businesses without the help. Government initiatives have started helping women to achieve her goal, such as vocational training programmes these efforts have been supplemented by the work of hundreds of NGOs, such as the Mann Deshi Foundation and the Sambhali Trust. It's no longer a man's world. Most banks are looking to women by offering them various products, services and discounts. "Banks are targeting woman customers, who are broadly untapped even today," said a senior executive at SBI. Several government-owned banks are also in the process of initiation of all women branches and have underlined the requirement to focus on women and empower them.

4. OBJECTIVES OF THE STUDY

Banking sector in India has been growing substantially inspite of its social and economic problems. However, only a few studies are found which made an effort to determine the crucial factors that women think as important in their choice of bank in Saurashtra region. This study attempts to accomplish this aim. The main objectives for conducting this study are:

1. To determine the factor that a women consider significant while selecting a bank.
2. To find out whether women find procedure to bank account difficult or not and whether she follows the bank account procedure by her own or she needs assistance.
3. To know whether women know difference between private sector bank, public sector bank or co-operative bank or not.

5. LITERATURE REVIEW

T. Ravikumar (2012), As per the researcher the attitude towards advertising has been ever changing at a rapid pace with diversifications and dynamism. The advertiser, the agency, the media and the consumers view advertising according to their desires, expectation and opportunities. Therefore, advertising is not considered as a secondary business activity, but has come to be accepted as a supportive service and a contributory input for diversified growth.

Jo Swinson (2013), The researcher has highlighted that identified areas in relation to women and lending which need to be recognised, and would benefit from sustained action to tackle the issues are firstly, transparency which is important in order to reassure women that lending is not done in a discriminatory way.

Valeria Arina (2011), Information obtained by researcher allows him to say that in general, consumer reviews of the impact on their promotion of modern technologies, that the banks enjoy a positive image among consumers regarding the promotion online. Implementation and development of technological innovations offers both banks and customers many advantages like saving time, staff orientation to consulting activities, diversification of products and services

enhance the effectiveness, increase efficiency and competitiveness of banking. The bank selection criteria used by women while selection of bank have been largely overlooked in the relevant literature. However, number of studies have revealed some important factors considered in bank selection.

6. METHODOLOGY OF THE STUDY

6.1 Research Instruments

The present study is analytical and exploratory in nature. It is based on the Questionnaire and Scheduling. A structured questionnaire is prepared for using in the survey based on literature review and objectives of the study. The questions were organized into two sections. To obtain personal background of the respondents, the first section of the questionnaire is about age of women, income, marital status, education, occupation, family status and current location. The second section of the questionnaire asked women respondents about factors they consider during selection of bank. The factors were adopted from the relevant literature, personal experience and interviews with women of different cities of Saurashtra region. The major emphasis in such studies is laid down on the discovery of ideas and insights. The research design for such studies must be flexible enough to provide opportunity for considering different aspects of a research problem under study. It is flexible so that many different facts of a problem may be considered.

6.2 Sample and Data Collection:

The overall area of the study has focused on women residing in major cities of Saurashtra Region which includes 9 different districts of Saurashtra Region viz. Rajkot, Jamnagar, Bhavnagar, Amreli, Morbi, Somnath, Porbandar, Junagadh and Surendranagar. To justify the research title, the researcher has selected sample of 500 women residing in Saurashtra Region. For the selection of sample unit the researcher has adopted Random Sampling and Convenient Sampling Technique which is carried out in various stages. In the study women of major cities of Saurashtra Region are the primary unit of the analysis. The researcher has distributed almost 720 questionnaire among the women of major cities of Saurashtra Region, out of which many were either not filled properly as per mentioned instruction or were incomplete. Hence finally 500 responses were duly selected by researcher to have fruitful analysis. The data is collected from the respondents without any decided criteria for proportionate category selection by income, age, marital status, profession, family income or any personal factors.

7. LIMITATIONS OF THE STUDY

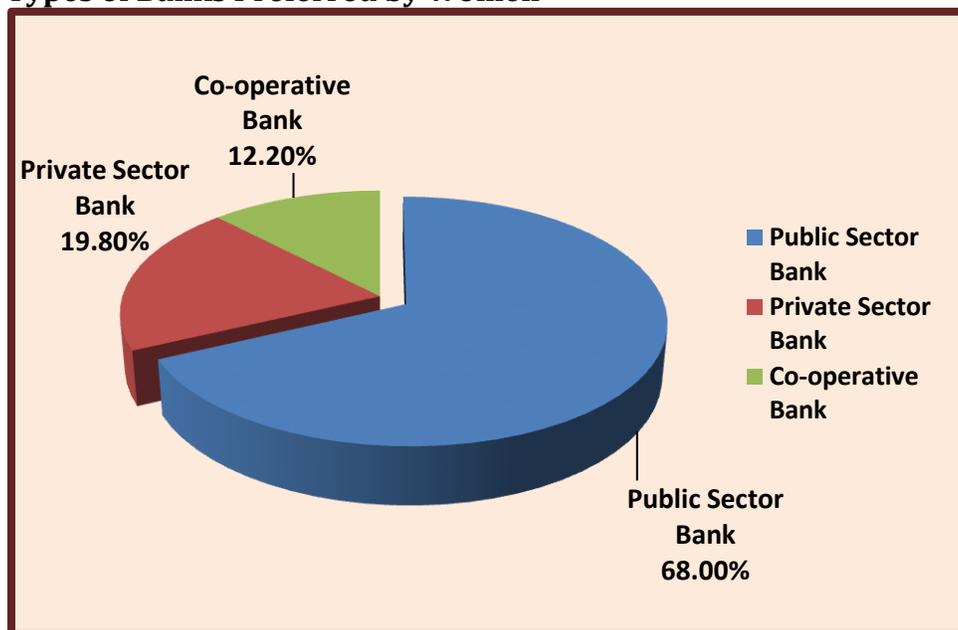
The sample consists of 500 women from major cities of Saurashtra Region. The sample is selected conveniently so as the responses from Women have been influenced by their mood, time, situation, impression. As the primary data and survey method of research has its own limitations and based on the respondent the study is limited to nine cities of Saurashtra Region only and it cannot be applicable to India or at an International level. While undertaking this research, the researcher has found following limitations, which may affect the result of the present study:

- i. The study will be based on analysis of impact of advertisement among women of Saurashtra Region so any generalization for universal application cannot be expected.
- ii. View of experts may be different for the purpose of the study, so it may create some difference in opinion and understanding the topic of the study.
- iii. This study is in the nature of analytical and exploratory research. It is not being proposed to enter in the normative aspect.
- iv. The validity of the study will depend upon the reliability of the primary data.
- v. This study is based on Primary data which has its own limitations.
- vi. The diversity of the sampling may not be an accurate sampling of women.

8. ANALYSIS

Table:1**The Type of Bank In which Women have Bank Account.**

Sr. No.	Type of Bank	Number of Respondents	Percentage (%)
1.	Public Sector Bank	340	68.0
2.	Private Sector Bank	99	19.8
3.	Co-operative Bank	61	12.2
	Total	500	100

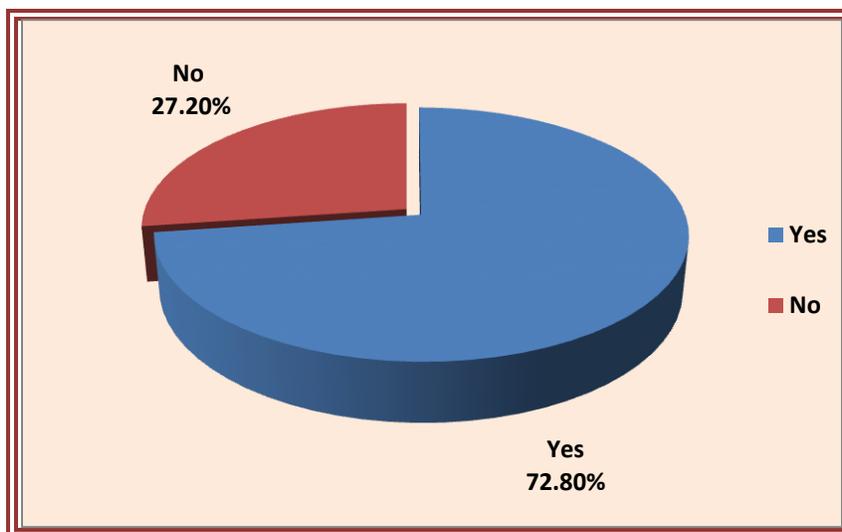
Chart :1**Chart Showing Types of Banks Preferred by Women****Interpretation:**

As per statistical analysis the researcher can advocate that majority of Women sample respondent which consist of 68%, who has bank account in Public Sector bank whereas, 20% Women has a bank account in Private sector bank. However, only 12% Women respondents possess an account in Co-operative bank

Table: 2**Knowledge of Difference in Types of Bank**

Sr. No.	Particulars	Number of Respondents	Percentage (%)
1.	Yes	364	72.8
2.	No	136	27.2
	Total	500	100

Chart: 2
Chart Showing Knowledge about Difference in Types of Bank



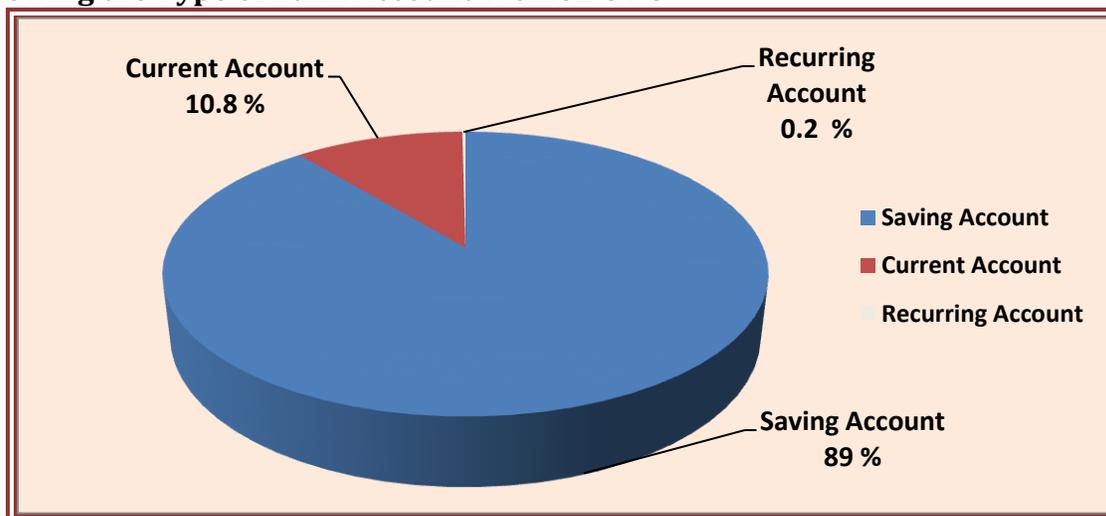
Interpretation:

It is presumed by researcher that every bank account holder must know the type of bank in which he owes an account. Considering this, the researcher has found that satisfactorily, nearly 73% Women respondent are aware about the difference between Public sector bank, Private sector bank and Co-operative bank through advertisement whereas, nearly 27% Women disagree that advertisement is helpful to them in bringing awareness about disparity among Public sector bank, Private sector bank and Co-operative bank.

Table: 3
The Type of Account Women Possess

Sr. No.	Particulars	Number Respondents	of	Percentage (%)
1.	Saving Account	445		89.0
2.	Current Account	54		10.8
3.	Recurring Account	1		0.2
	Total	500		100

Chart: 3
A Chart Showing the Type of Bank Account Women Owe

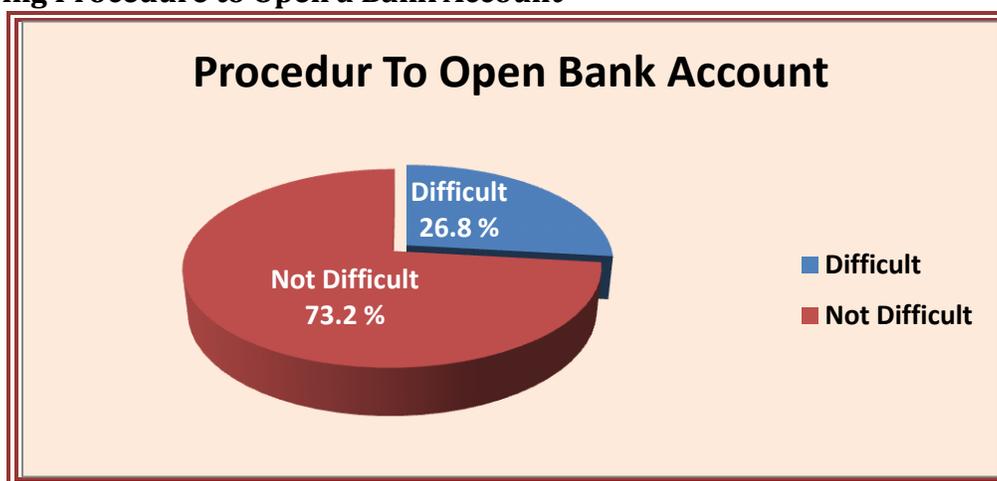


Interpretation:

The data of sample Women respondent indicates that majority of Women respondents utilises Saving account service and followed by almost 11% of Women who operates Current account whereas, just negligible 0.2% of women utilises the recurring account facility.

Table: 4**Procedure to open bank account is difficult**

Sr. No.	Particulars	Number of Respondents	Percentage (%)
1.	Yes	134	26.8
2.	No	366	73.2
	Total	500	100

Chart: 4**A Chart Showing Procedure to Open a Bank Account****Interpretation:**

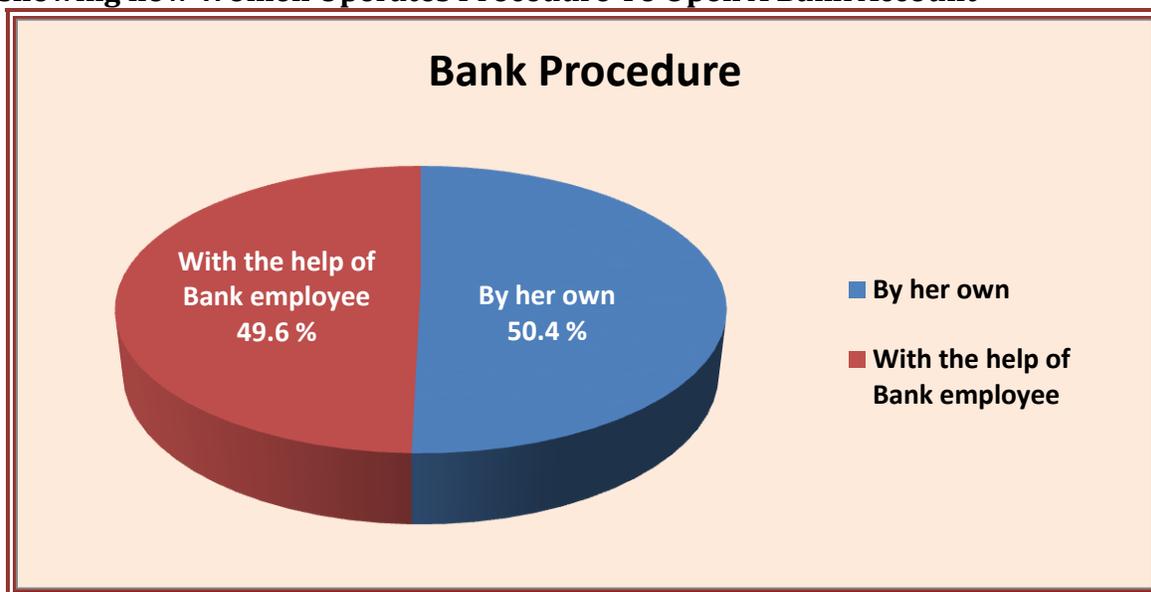
The researcher has opined the view of Women to know whether they find the procedure to open bank account easy or difficult. Note worthily, nearly 74% Women responded that they do not find the bank account opening procedure difficult. The reason can be increasing women literacy ratio in country, high cost of living, as well as increasing her independency level, which is transforming her to be a working lady. At times, unavailability of required documents for opening a bank account especially for deprived and dominated Women can be the constraint which makes them less comfortable in bank account opening procedure.

Table: 5**Procedure conducted by Women to operate Bank Account**

Sr. No.	Particulars	Number of Respondents	Percentage (%)
1.	By her own	252	50.4
2.	With the help of Bank employee	248	49.6
	Total	500	100

Chart: 5

A Chart showing how Women Operates Procedure To Open A Bank Account

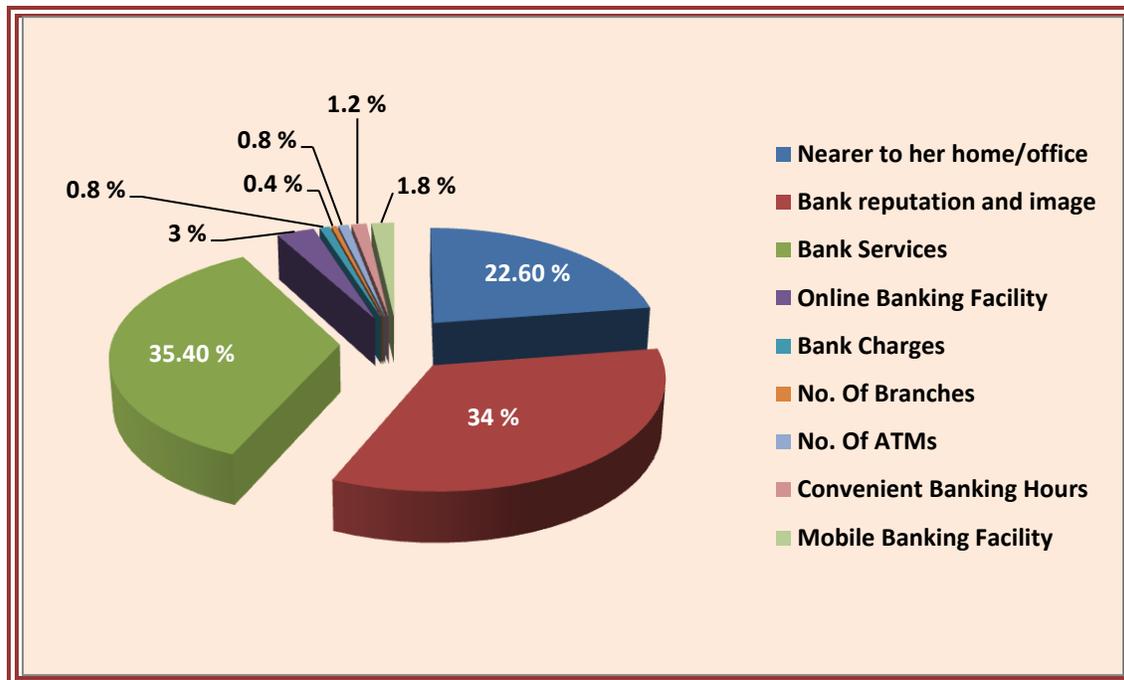
**Interpretation:**

As per the researcher noteworthy 73% of women respondent do not find bank opening account difficult which brings one more fact in light that though they find procedure to open a bank account easy, almost 50% women respondent take assistance of bank employee while opening an account and other 50% respondents are enjoying independency with regards to same. They do it by their own.

Table: 6

Factors Considered by Women for the Selection of Bank

Sr. No.	Particulars	Number of Respondents	Percentage (%)
1.	Nearer to her home/office	113	22.6
2.	Bank reputation and image	170	34.0
3.	Bank Services	177	35.4
4.	Online Banking Facility	15	3.0
5.	Bank Charges	4	0.8
6.	No. Of Branches	2	0.4
7.	No. Of ATMs	4	0.8
8.	Convenient Banking Hours	6	1.2
9.	Mobile Banking Facility	9	1.8
	Total	500	100

Chart: 6**A Chart Showing Factors Considered by Women for the Selection of Bank****Interpretation:**

The researcher has reviewed the opinion of sample women respondents with regards to the factors which influences her while selection of bank. As per statics available, the researcher can advocate that almost 91% of women respondent conveys that either Bank services offered by bank, Bank reputation or the location of bank being nearer to their home plays pivotal role in influencing them for the bank selection which is 35.4%, 34% and 22.6% respectively and rest of the factor altogether hardly affect by just 8%, which includes Convenient Banking Hours, Bank charges, Number of branches and ATMs and mobile banking facility.

9. FINDINGS

- During the period of research the researcher has found that majority of women have bank account in Public sector bank.
- The researcher has found that 72.80% of women account holder has knowledge about difference among Public sector banks, Private sector banks and Co-operative banks through various modes of advertisements.
- The research highlights that the women finds the procedure of opening a bank account easy. The researcher also found that the occupation and educational literacy can be one of the reasons which make them to find bank account opening procedure easy.
- As per statics available, the researcher can advocate that almost 91% of women respondent conveys that either Bank services offered by bank, Bank reputation or the location of bank being nearer to their home plays pivotal role in influencing them for the bank selection. However, rest of the factor altogether hardly affect by just 8%, which includes Convenient Banking Hours, Bank charges, Number of branches and ATMs and mobile banking facility.

10. SUGGESTIONS

- In comparison to Private sector banks and Co-operative banks, Public sector banks are more preferred by women for availing banking services so it can be suggested that they should focus more on untargeted women through advertisement.

- As majority of the sample women customer are comfortable with bank account opening procedure, they must be motivated to start opening accounts online. It will not only save the resources but will make women more adaptive, so that in future they can be easily contacted for introducing other innovative banking products and services through electronic communication like e-mail.
- Before designing a women centric product, banks should seek ideas from their target market that is women. Today's female will only make a purchase decision after they truly understand the product. Involving a women customer in a conceptual and developmental stage of a product would be a winning strategy.

11. CONCLUSION

Through the present research work, it is quite clear that women are the key in retail banking and they are underserved market for which there are concrete facts and numbers backing the claims up. Hence, if banks are all interested in driving growth with the increasingly important female market, then now is a great time to take a minute and consider developing a unique strategy on how to win their business. Bank reputation, bank services and location of bank near to home acts as a driving force for women while selection of bank. Research work also leads that women do not open new bank accounts online. Apart of that face to face interaction about bank products and services influences her most in selection of one bank over other.

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