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RESEARCH ARTICLE

A STUDY ON DIFFERENT FACILITIES OFFERED IN ATM AND ITS IMPACT ON BANKING BUSINESS BY ICICI BANK JHARSUGUDA

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ABSTRACT

There has been a tremendous change in the Banking industry in India during last few years particularly due to the introduction of globalization, deregulation, and rapid technological advancements. India has initiated liberalization which has opened the banking sector to provide better coverage to the Indian citizens and augment the flow of long term financial resources as the new strategy of banking business for some years; the scheduled commercial banks have adopted innovative banking practices. Innovative banking refers to using new techniques, new methods, new schemes and deposit mobilization, credit deployment and bank management. The most visible and perhaps the most revolutionary element of the virtual banking revolution is the cash machine or AUTOMATED TELLER MACHINE (ATM) As it is popularly known .the introduction of ATM service has come to change the entire gamut of the way the banking and financial services are operated in the world. ATMs are known for their speed and convenience giving 24 hrs accesses to bank customers to operate their bank account in the physical environment with the machine. An increase in the number of banks realized that doing sustainable business made the business sense. The rigorous domestic rivalry made the companies to search for their competitive advantage may be in the form of corporate social responsibility, strategic plan and pin point acts which enable the organization to fulfill its intended objectives

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INTRODUCTION

ICICI Bank's 24 Hour ATM network is one of the largest and most widespread ATM Network in India. Its ATMs are located in commercial areas, residential localities, major petrol pumps, airports, near railway stations and other places which are conveniently accessible to our customers. ICICI Bank ATMs features user-friendly graphic screens with easy to follow instructions. It has introduced ATMs which interact with customers in their local language for increased convenience
Cash Withdrawal: Withdraw up to Rs. 25,000/- per day from your account (50,000 for HNI's). Fast Cash option provides the facility of withdrawing prefixed amounts. Ultra Fast Cash option allows you to withdraw Rs.3000/- in one shot
Balance Enquiry: Know your ledger balance and available balance
Mini Statement: Get a printout of your last 8 transactions and your current balance
Deposit Cash / Cheque: Available at all full function ATMs, Customers can deposit both cash and Cheque. Cash deposited in ATMs will be credited to the account on the same day (provided cash is deposited before the clearing) and Cheque are sent for clearing on the next working day

Funds Transfer: Transfer funds from one account to another linked account in the same branch.

PIN Change: Change the Personal Identification Number (PIN) of ATM or Debit card

Payments: The latest feature of our ATMs, this functionality can be used for payment of bills, making donations to temples / trusts, buying internet packs, airtime recharges for prepaid mobile phones and much more...

Others: Request for a checkbook from our ATMs and our concerned branch will dispatch it such that it reaches you within 10 working days

Charges: There is no charge levied on ICICI Bank customers for transacting on ICICI Bank's ATMs. However for customers not maintaining the minimum quarterly average balance in their savings account, first 6 transactions in the quarter will be free and Rs. 25 per transaction will be charged thereafter.

Noticeable changed after launching the ATM

Previously people have to go to bank for any transaction that may be cash withdrawal or cash deposit. they have to stand in queue for doing the transactions for that reasons people have to carry cash which may be lost .for this reason they don't like to open account in banks. They thought its better to keep money with themselves rather than keeping in the bank because a lot of time is consumed while doing the transaction.

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On account of liberalization and globalization of the economy of corresponding deregulation of the banking sector, banks are diversified in its areas, activities, adopted technology and automated their operations. As ATMs are introduced an innovative technology is being adopted by bank in order to serve the customer in terms of convenience, safety, surety, and anywhere and anytime banking. This helps the banks to retain its customers. With the evolution of ATM, the customers are getting more benefits and the attitudes towards the banks are changing. Through ATM customer can withdraw or deposit their money with less span of time. ATM is opened for 24hrs. It also helps the customer for security of money, as the customer doesn't have to carry it. As and when required they can withdraw it from the ATMs. Even it is not necessary that you will operate in that bank ATM where you have an account. You can operate in other banks ATM for this some charges may be charged.

Objectives of the study

The objective of the study is:

- To investigate the attitude of ATM Cardholders towards ATM.
- To determine the level of satisfaction of usage of ATM.
- To analyze the problems faced by the ATM users.
- The impact of the facilities offered in ATM over the banking business of ICICI bank Jharsuguda

METHODOLOGY

A well-structured interview schedule was used to collect the data from the 100 respondents who were ATM cardholders. Primary data was collected from these interviews and secondary data was collected from books, journals, etc. ICICI Jharsuguda is purposefully selected on the ground that the researcher that is me disassociated with this branch as a part of their SIP program.

Services through ATM

Now a day it is highly risky to carry a lump sum amount and to travel anywhere so plastic money plays a vital role in present life. Plastic money is becoming more popular in the world. As it is not only helping to the bank but also serving the customer in any place at any time. It finds its place in the heart of the people as it provides an individual a risk less life of getting free from carrying a huge amount of cash. This plastic money is helping to us in ways as life becomes easier and safety to carry that plastic money instead of carrying a lump sum amount. Besides, few other services Mobile prepaid card recharge, Internet Packs (ATN - Any Time Net), Donations (Anytime Blessing), Mutual Funds Transactions Bill Payments are also provided.

- 1.It is a risk less weapon in terms of money.2.Easy to use anywhere.3.Saves time.4.It helps using in day-to-day activities.5.It helps in contact with bank.6.Fast mode of payment as compared to window.
- The ATM Provides: 1.Account transfer.2.Cheque deposit.3.Core banking.4.Location identification facility.5.Cash

- withdrawal.6.Payments.7.Calling Cards.8.Flexi Top Up.9.Charity

Differentiating features in ICICI bank ATM card

ICICI ATM card is totally different from other bank ATM card, as it possesses differentiating and extra services as comparable to other bank ATM card. These are the following services, which are being provided by the ICICI bank to its customer.1.Cash withdrawal up to 25,000-50,000.2.No processing in issuing ATM card.3.Mobile prepaid card recharge.4.Internet packs.5.Donation.6.Mutual fund transaction.7.Flexi top-up.

Analysis of customers' attitude towards ATM

After collecting the primary data, it is tabulated and suitable statistical tools were used for analysis. For analysis the data, the first objective was to analyze the attitude of ICICI ATM holders towards the ATM for this I used likert's five -points scaling techniques to measure the attitude. The five point scale is described as Strongly Agree (SA), Agree (A), No Opinion (NO), Disagree (DA), Strongly Disagree (SDA) were multiplied by 5,4,3,2,1,respectively in order to get the total score.

Table 1.Shows the attitude of ICICI ATM holders towards the ATM

S.No	Attitude of ATM holders towards the ATM	SA	A	NO	DA	SDA
1.	Timing of cash withdrawal facility	56	20	—	10	14
2.	Bank service to the holders	54	16	10	12	8
3.	Transaction evidence are recorded	40	20	14	16	10
4.	Easy to carry	60	15	5	5	15
5.	Helps to avoid thefts	60	26	4	8	2
6.	Helps to buy things easily	40	20	20	—	20
7.	Facilitates withdrawal at anyplace at anytime	45	25	5	15	10
8.	Status symbol	80	10	3	5	2
9.	Reasonable service charge	70	10	—	10	10
10.	Reduced waiting time in lobby	80	10	3	5	2

The Above Table is shown in the Graphical Manner

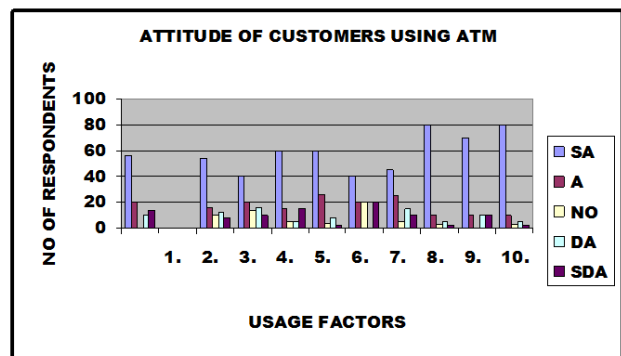


Table 2. shows the attitude of ATM card holders –likert’s five point scaling technique

S. No	Attitude of ATM holders towards the ATM	SA	A	NO	DA	SDA	Total	Rank
1	Timing of cash withdrawal facility	280	80	—	20	14	394	VI
2	Bank service to the holders	270	64	30	24	8	396	V
3	Transaction evidence are recorded	200	80	42	32	10	364	VIII
4	Easy to carry	300	60	15	10	15	400	IV
5	Helps to avoid thefts	300	10	12	16	2	434	II
6	Helps to buy things easily	200	80	60	—	20	360	IX
7	Facilitates withdrawal at anyplace at anytime	225	10	15	30	10	380	VII
8	Status symbol	400	40	9	10	2	461	I
9	Reasonable service charge	350	40	—	20	10	420	III
10	Reduced waiting time in lobby	400	40	9	10	2	461	I

There are ten statements given to the ATM cardholders. If they give “STRONGLY AGREE” opinion to each statement their score was 50. If they give “STRONGLY DISAGREE” opinion to each statement their score was 10. Hence the score was between 10 and 50. On the basis of the score obtained by the respondents, their level of satisfaction regarding the usage of ATM was found out.

From Table –2,it is clear that the majority of the respondents prefer ATM for reducing waiting time in lobby and status symbol as it has got the highest score (461) followed by the others and so on

LEVEL OF SATISFACTION

Level of satisfaction of ATM was studied by asking to the respondents about their satisfaction level.

From Table 3, it has been inferred that out of 100 respondents,55 (55 %)have medium-level of satisfaction;35 (35%)have low level of satisfaction and 10(10%)have high level of satisfaction regarding the usage of ATM based on their approach.

Table 3. Level of satisfaction

Level	No. Of respondents	Percentage (%)
High	55	55
Medium	35	35
Low	10	10
Total	100	100

The ATM card is used by different categories of people for different reasons. Table 4 clearly depicts the reasons for having ATM card by the users.

The following diagrams shows the graphical presentation of the above table

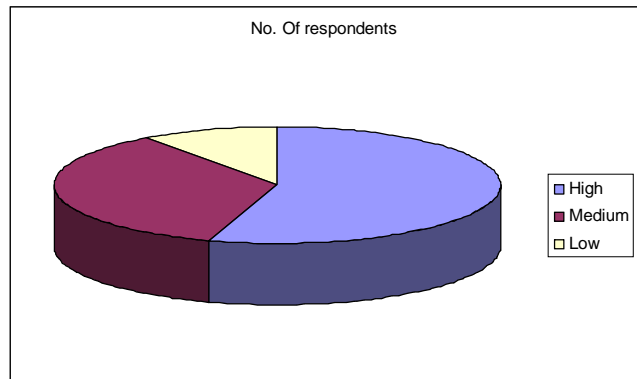


Table 4. Reasons for having ATM card

S.No.	Reasons	I	II	III	IV	V	Total
1	Easy to get money at different places	70	15	2	8	5	100
2	Avoid dealing with cash	60	20	5	10	5	100
3	Avoid theft	50	32	8	3	7	100
4	Handy to carry	63	17	4	9	7	100
5	Withdrawal of cash at anytime	55	14	9	12	10	100

By applying Garrett ranking technique, the reasons for having an ATM card was analyzed and the results are displayed in Table 5.

From Table 5, it is interesting to note that majority of the respondents hold ATM cards mainly for the reason of withdrawing the cash at anytime (77%). The second rank goes to the statement “Easy to get money at different places”(anywhere) with the mean score of 73%.

Table 5. Reasons for having ATM card-garrett ranking technique

S.No	Reasons	Mean score	Rank
1	Easy to get money at different places	68	I
2	Avoid dealing with cash	52	IV
3	Avoid theft	60	II
4	Handy to carry	56	III
5	Withdrawal of cash at anytime	48	V

Table 6. Problem faced by ATM cardholders

S.No	PROBLEMS	No. Of respondents	Percentage (%)
1	Misuse of cards	15	15
2	Insufficiency of funds	5	5
3	Limit of withdrawal of cash	20	20
4	Repair of machine	35	35
5	Less ATM centers	15	15
6	Improper use of cards	8	8
7	Damage of cards	2	2
Total		100	100

Table 6 shows that 35% have faced a problem of repair of machine at the time of withdrawal 15% have realized a problem of misuse of ATM cards, 15% have faced a problem due to less ATM in Jharsuguda and another 20% felt a problem for the limit of cash withdrawal.

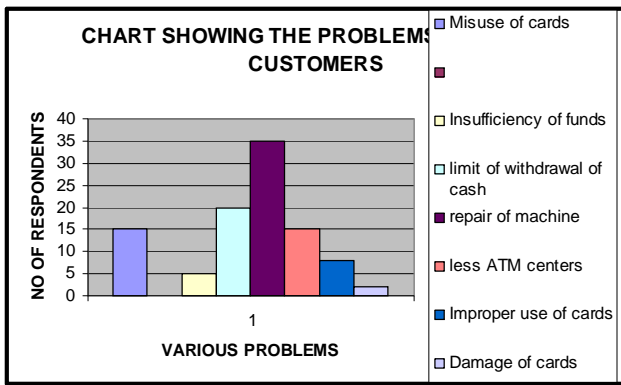
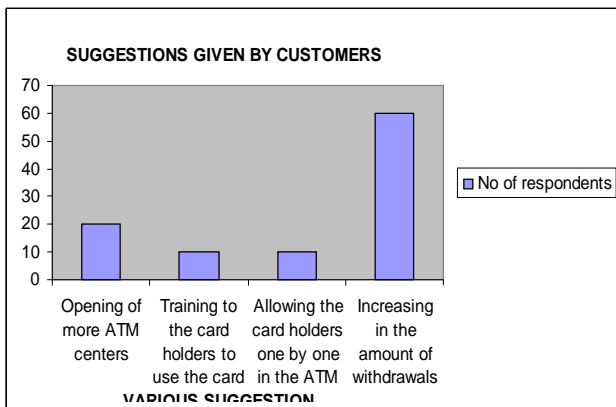


Table 7 shows the suggestions to improving the functions offered in ATM. ATM cardholders offer some more suggestions for the better performance of bank in relation to ATM, which is shown in Table 7.

Table 7. Showing the suggestions

S.No	Suggestions	No of respondents	Percentage (%)
1	Opening of more ATM centers	20	20
2	Training to the card holders to use the card	10	10
3	Allowing the card holders one by one in the ATM	10	10
4	Increasing in the amount of withdrawals	60	60
Total			



Impact of ATM facilities on banking business of ICICI bank

Through these ATMs the banks are serving a large number of customers in a less span of time. For providing better services to its customers, ICICI bank had a tie-up with the different banks for their ATMs. By this it provide scope to its customers to do their transactions through different banks ATM. previously customers were attracted to nationalized banks like SBI but now they are attracted to ICICI bank due to the facilities provided in the ATM. In ICICI bank ATM a customer can withdraw 25,000-50,000 per day if he/she is having the privilege saving account in ICICI bank. This facility has attracted many customers from every segment of people that may be from salaried class or business class or professionals to

open their account in ICICI bank. ATMs of ICICI bank are located in populated areas in order to provide the services to huge number of customers. As this modern scenario is developing ICICI bank is adopting new technologies to increase their effectiveness, efficiency, in order to provide services to its customers. As customer choice for ATM cards indicate a huge business expansion of the banking business of ICICI bank at low cost, ICICI bank is better addressing the potential threats as logical business opportunities. ICICI bank is having more than 4000 ATMs networking in India which is next to SBI .SBI is having more than 6000 ATMs all over India. ICICI bank had made a tie-up with different banks like Punjab National Bank, Indian Bank, Bank of Baroda, Citi Union Bank etc. Plastic money plays a vital role in day-to-day life of people as well as to the bank. Customers are getting benefits by using the ATM card in the similar way banks are also getting benefit from the customer by providing ATM card. As no rush and obstacle comes in the way of the people of bank by issuing their ATM cards.

The following are the impacts of ATM in banking business:

1. Rise in generation of funds.
2. Easy to operate and use of ATM card.
3. Easy channelization of customer.
4. Access anywhere any side round over the world.
5. Process of work in the bank becomes easier and faster.
6. It helps the bank to make good relation with customer.
7. Errors are minimized.
8. Life becomes entertained and joyful with the use of ATM card.
9. High interest earned by banks through more deposit.
10. More facility can be seen through ATM instead of going to bank at regular interval.

In Jharsuguda ICICI bank has opened two ATMs one is beside the bank and the other is located in Sarbhal ICICI bank had opened their branch in Jharsuguda in the month of February ,still they are having two ATMs but SBI is having only two ATMs. The facilities offered by ICICI bank in their ATMs and the facilities through its accounts have attracted a huge number of customers to open up their accounts. The various figures of the account holders is given below:

	February	March	April	May	June	July
Hni	1	2	2	3	3	4
Gold a/c	0	6	6	8	5	9
Silver a/c	0	0	3	2	0	1
Blue a/c	5	9	15	13	5	10
Normal saving a/c	12	180	291	395	358	412
Salary a/c	0	50	55	85	45	80
Young star a/c	0	2	1	0	3	2
Senior citizen a/c	0	0	0	1	0	1
Total	18	249	373	507	419	519

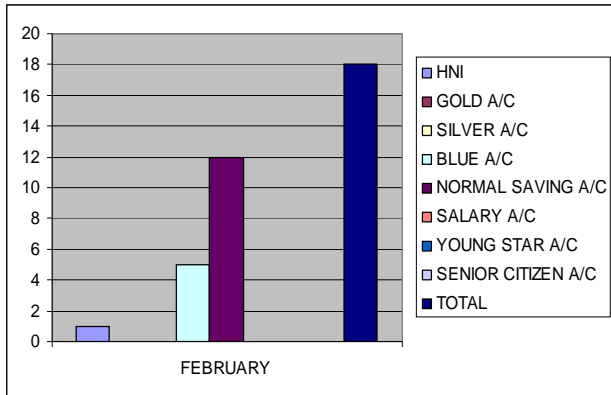
Finding of the study

The following are the findings of the present study:

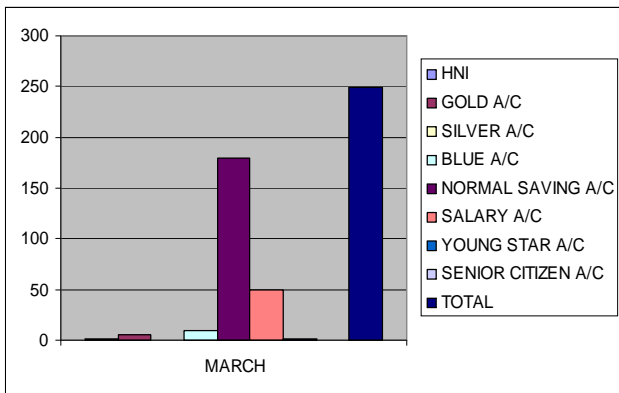
- Majority of the respondents prefer ATMs for withdrawal of cash anytime and at anyplace.
- Most of the respondents 55% have high level of satisfaction.

- A considerable percentage of the respondents have ATM cards, mainly for the reason of withdrawing the cash anytime .
- Most of the respondents 35% have faced a problem of repair of machine at the time of withdrawal and the cash limit 20%
- Many respondents advised the bank to open more ATMs.

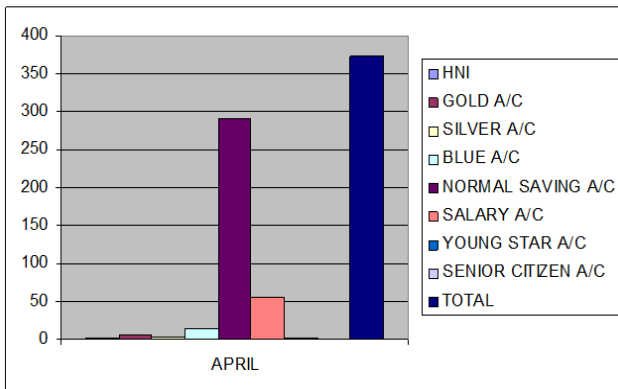
Graph for the month of February



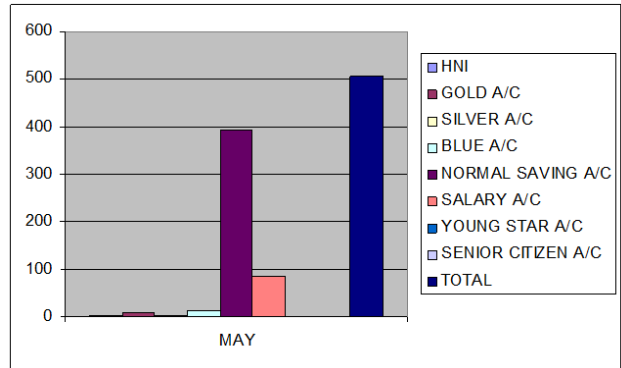
Graph for the month of March



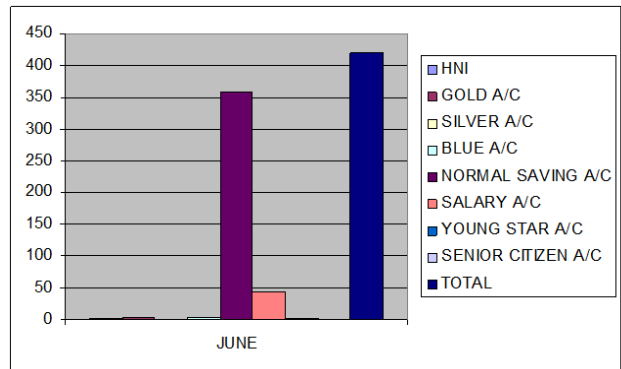
Graph for the month April



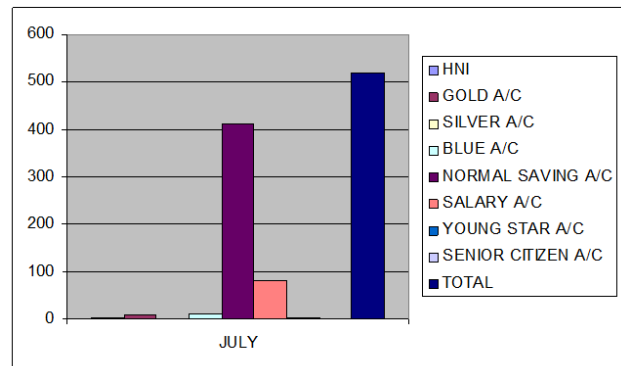
Graph for the month May



Graph for the month June



Graph for the month July



SUGGESTIONS

On the basis of the findings of the study the respondents have given the following suggestions to ICICI bank Jharsuguda.

- ICICI Bank should liberalized the rules regarding obtaining of ATM cards.
- To increase the number of ATM in Jharsuguda.
- Bank should take essential steps to help the customer in depositing the amount through ATMs.
- Banks must check the periodically whether the ATM machine is in good condition or not.

- If an amount is withdrawn through ATM, the passbook should be updated immediately.
- Bank should improve the ATM facility to help the customers to encash Cheque and demand drafts.

Conclusion

Banks all around the world are embracing technology .By leveraging effectively on technology and adopting Automated Teller Machine (ATM), banks have cut costs, reduced the time of the transactions and also added value to their customers. Starting off with the basic automation of the bank branches, banks are now adopting technology solutions like ATM banking, Internet Banking, Mobile Banking etc. which are helping them to compete in today's world by enabling them to differentiate their products and services from their competitors. Core banking solutions has heralded an all-new era in the banking era. it opened up new channels to transact with the customers .now the customer can choose the channel to do their transaction either through ATMs or through internet and even through phones. All this is resulting in a complete change in the way the banking is done. This is the era of anywhere and any time banking, making the branch banking and limited banking hours a thin on the past. This is also the time of real time banking. Transactions get done instantly, instead of waiting to be done in the next couple of days and weeks. ATM banking is a part of core banking which means anywhere and any time banking.As ATM provides many facilities like withdraw of cash, deposit of cash, mini statements enquiry related to balance these all facilities help the bank to retain their customers. And even the customers are very much benefited through ATM in terms of time saving, loss of damages anywhere accessible etc. ATM Banking is very much beneficial both to the customers and the banks.By adopting the ATM banking branch Banking has lost its importance in now a days.Plastic money is becoming more popular in the world. As, it is not only helping to the bank but also serving the customer in any place at any time.

It finds its place in the heart of the people as it provides an individual a risk less life of getting free from carrying a huge amount of cash.ICICI Bank is giving more benefit to its customer by providing its ATM card. Not only bank but also its customer is getting more benefit by using its ATM card. Bank is earning more interest from the heavy deposit coming from the side of customer in the similar way customer are getting benefit from the use of ATM card by getting various types of facility provided by the bank.In fact it is true to say that plastic money is much more essential in human life. Not from the security point of view but from the essential point of view. Also its impact on banking business is being seen, as the work culture of bank is totally changed. No rush for cash withdrawal is being seen in present in bank after the coming of plastic money.So ICICI ATM cards are playing a vital role in present world as none of the other bank is providing such services in very small span of time at no chargeable costs.Through ATM, banks are providing the various facilities to its customers. The main aim of banking is to create a deliver customer needed services in a customer-satisfying manner. Besides underlying the cardinal importance of customer service in the banking

context, this statement refers to the two main elements of the banking service i.e. creation and delivering ATM is helping in building and increasing the customer satisfaction level.Technology up gradation help any bank to survive and retain business in the present competitive world, the banker have evolved new approaches new and innovative products to keep pace with the ever changing and growing expectation of the customers. Technology helps a lot in this respect. Banks must upgrade their technology to achieve breakthrough in this area. It is an important aspect to speed up the servicing in all spheres of banking activity and to fulfill the customer need. ATM is also a technology up gradation that is adopted by ICICI like other banks in order to provide more access to communicate their needs, instantly and transact their business promptly. By providing the various facilities in their ATM they are enjoying a competitive advantage over its competitors.ICICI bank is having a wide network of ATM having a more turn over compared to other banks. ICICI bank has opened their ATMs both in rural and urban areas. ICICI bank is proving 24 hours banking services through ATM. ICICI bank are the first private sector bank to launch an ATM in India. It has attracted new customers by providing the various facilities like 8-8 banking, ATM banking, phone banking, mobile banking etc. Due to the extended working hours and the use of technology has helped ICICI bank to increase the volume of business.By increasing in the number of delivery channels like ATM banking, phone banking and mobile banking has improved service quality and operational efficiency.

All these leads to a better customer service as seen in case of ICICI bank. Facilities being provided by ICICI bank, ATM is having a good impact on the customers.Technology is identified as the single strongest factor that provides a bank with a competitive edge over others. The general strategy adopted by almost all the banks was to become unique in the market place using technology, creating a differentiation between different layers and attracting new customers and retaining the old ones. The technology is pivotal and is central to banking. This is one of the major reasons why new private and multinational banks have been able to survive, thrive and adapt in a increasingly competitive space. Banks have realized that shifting customer access to lower cost channels can help in bringing down the operating cost. These channels are used not only to improve the customer's service but also to divert traffic from branches. It is a fact that the cost of the transaction over the delivery channel is lower than doing the transaction through the branches.The ATM and Net Banking services unable non stop banking –convenience banking, 24 hours access to cash, 365 days of the year with out any additional cost burden to the customer. The ATMs enable the customer withdraw the cash to a fixed ceiling limit, balance enquiry, a mini statement, cheque deposit, cash deposits, fund transfer etc.Today we are living in a dynamic world. In this world each and every second is precious. Customer does not like wasting their time in waiting. ATMs help customers to get cash without wasting time. This part, anytime and anywhere transaction facility has made ATMs popular. Several banks are providing ATM services to their customers .by 2010 all the customers of all banks will have ATM cards in their hands along with the passbook.

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