



A STUDY ON CUSTOMER PREFERENCE IN POST OFFICE SAVINGS SCHEMES WITH SPECIAL REFERENCE TO COIMBATORE CITY

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ABSTRACT

The post office savings schemes have been a popular investment options for many investors in India. This study aims to investigate the satisfaction level of investors toward these schemes. A survey was conducted with a sample of 151 respondents who had invested in post office savings schemes. The study found that investors had a positive perception of these schemes as they provided perception of these schemes as they provided a safe and secure investment option with guaranteed returns. The study also found that investors were satisfied with the interest rates offered by these schemes and perceived them to be better than other investment options available in the market. However, the study also found that investors were not aware of the various schemes offered by the post office and the benefits they offered. The study recommends that the post office should increase its awareness programs to educate investors about the various schemes and their benefits. This will help investors make informed investment decisions and also increase the popularity of post office savings schemes as a viable investment option.

Keywords: Post office saving schemes, investors

I. INTRODUCTION

For more than 150 years, the Department of Posts has been the backbone of the country's socioeconomic development. It touches the lives of Indian citizens in many ways: delivering mails, accepting deposits under Small Savings Schemes, providing life insurance cover under Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) and providing retail services like bill collection, Sale of forms, etc. The Department of Posts comes under the Ministry of Communications and Information Technology. The Postal Service Board, the apex management body

of the Department, comprises the Chairman and six Members. The six members of the Board hold portfolios of Personnel, Operations, Technology, Postal Life Insurance, Human Resource Development, Planning respectively. Post offices in India play a vital role in the rural and urban areas. They connect these rural and urban areas with the rest of the country and also provide banking facilities in the absence of banks in the areas. India has the highest post office in the world in Hikkimat about 14567 feet (4440 meters) above sea level in the hilly stretch of Himachal Pradesh Spiti Valley is considered to be the highest post office in India. Indian postal service provides many facilities like general or registered mail, parcel post, speed post, express post, e post and special courier service known as EMS-speed post. They also offer a number of post office saving schemes like National Savings Certificate, Recurring Deposits and Term Deposits.

STATEMENT OF THE PROBLEM

The demand for savings services is ever higher than for credit. Studies of rural and urban households in various states in India show that the people are looking for a way to save small amounts whenever they can. The irregularity of cash flows and the small amounts available for savings at one time, deter them from using formal channels such as bank. The people want to save for various reasons as a cushion against contingencies like illness, calamities, death in the family and the like. India is a country of villages and towns; hence the people are unable to be aware of the post office saving schemes. The depositors face a lot of difficulties while depositing money and getting back their deposits.

OBJECTIVES OF THE STUDY

- To know the socio-economic profile of the customers.
- To evaluate the factors influencing the customers towards postal savings schemes.
- To analysis the preference of customers towards post office savings schemes.
- To identify the problems faced by the customers in post office schemes.

LIMITATIONS

- The study was carried out within a period of 4 months.
- The study was conducted only in Coimbatore.
- This study is purely based on the data collected from the respondent's post office employees and customers.
- This study is confined to the post office savings schemes only.

RESEARCH METHODOLOGY

RESEARCH DESIGN:

A research design is purely and simply the framework of plan for a study that guides the Collection and analysis of data. It is descriptive in nature.

AREA OF THE STUDY:

The study is undertaken in Coimbatore city.

SAMPLE SIZE:

The sample size for the study is 151 respondents.

SAMPLING TECHNIQUES:

Convenience sampling technique is used for the study.

PERIOD OF THE STUDY:

The period for the study is 4 months i.e. January 2023 to April 2023.

METHODS OF DATA COLLECTION:

Questionnaire method is used to collect the data from the respondents.

SOURCE OF DATA COLLECTION:

Data was collected by both primary data and secondary data sources. Primary data was collected through questionnaire.

PRIMARY DATA:

A primary data is a data which is collected for the first time for the particular interest to collect more information. In this study, the primary data was collected using questionnaire.

SECONDARY DATA:

Secondary data consist of information that already exists somewhere, having been collected for some other purpose. In this study, the secondary data was collected from studies, journals and websites.

STATISTICAL TOOL USED FOR DATA ANALYSIS:

The tools used are

- Simple percentage Analysis
- Chi-Square
- Weighted Average
- Rank Analysis

II. REVIEW OF LITERATURE

Ravindran (2016), revealed that post office is not only medium of sending letters to the public. It gives multiple financial services to the public like send money to foreign country, postal life insurance, mutual fund investment and small saving schemes. He also suggested that to attract women investors by providing right information and knowledge about the post office savings schemes through advertisements.

Rakesh and Nalina (2017) study aimed to know and understand the individual investor behaviour. The study found that portfolios of investors, investment preferences, risk perception, investment pattern, awareness level, problems affecting investment behaviour and problems encountered by the investors. The result of the study concluded that diversification of financial sector will give different varieties of investment opportunities to the individual investors.

Bhatia and Tyagi (2018) study aimed to examine the effects of some Socioeconomic factors such as Income, Age, Level of Education, size of family on one saving patterns. The study found that the level of savings is still poor due to low income, large family size or more number of dependents, joint family system and young working population.

Vembu (2019), revealed that more of rural women are interested in investing their savings in post office because of proximity of post office situated in their residing location. He also stated that the officials create awareness to rural people for investing their money in post office it creates a growth of postal sector. Most of the investors are invest in post office savings schemes only for tax relief.

RESEARCH GAP

From the review of literature, it is observed that the previous research conducted are particularly on a rural area, the services offered by the post office and postal saving schemes. Whereas my study was carried on the satisfaction of post office saving schemes in rural and urban areas as the respondents were the general public of Coimbatore district.

III. ANALYSIS AND INTERPRETATION

In this the analysis and interpretation on customer satisfaction in pot office saving schemes are based on the information supplied by a sample of 151 respondents selected from Coimbatore.

This chapter contains four different analyses namely:

- Simple percentage Analysis
- CHI-SQUARE
- Weighted Average
- Rank Analysis

3.1 SIMPLE PERCENTAGE ANALYSIS

Percentage analysis is mainly used to determine the distribution of respondents coming under different categories. It is expressed in percentage mainly to facilitate standardization and comparison between two or more series of data.

$$\text{Percentage} = \frac{\text{Number of Respondents}}{\text{Total Number of Respondents}} * 100$$

TABLE
GENDER OF THE RESPONDENTS

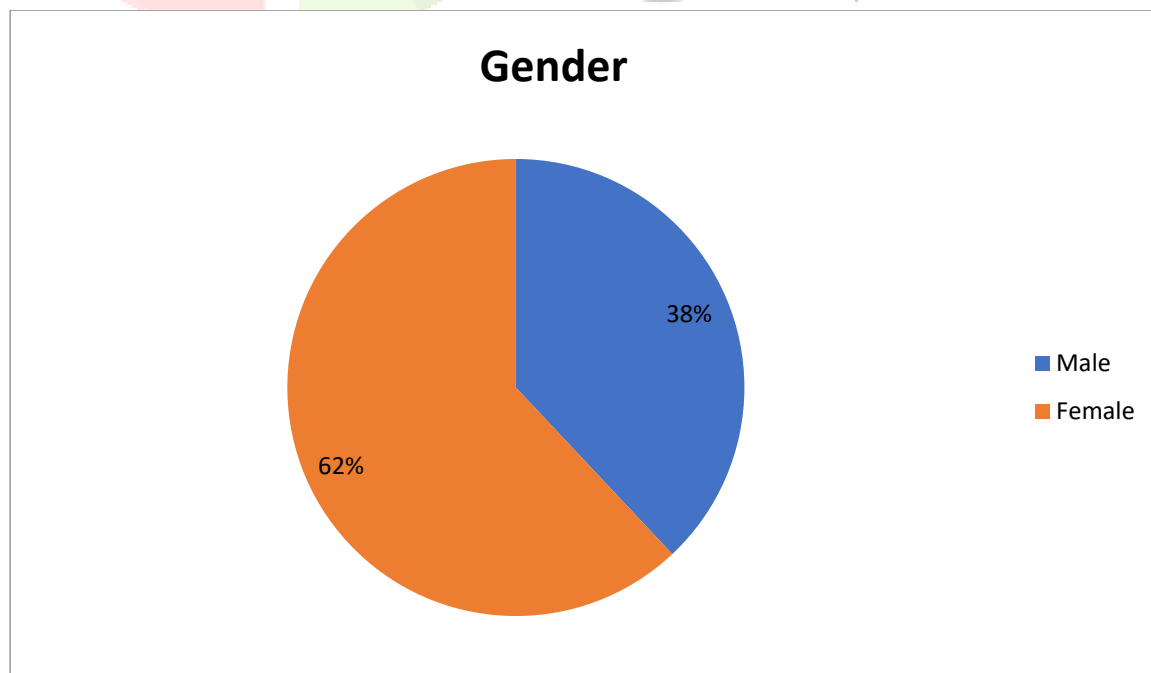
S.No.	Gender	No. of Respondents	Percentage
1	Male	58	38%
2	Female	93	62%
	Total	151	100%

SOURCE: Primary Data

INTERPRETATION: It is observed from the above table 62% of them are belong to Female and remaining 38% of them are Male.

INFERENCE: Majority 62% of the respondents are belonging to Female

CHART
GENDER OF THE RESPONDENTS



3.2 CHI SQUARE ANALYSIS

A statistical test used to determine the probability of obtaining the observed by chance, under a specific hypothesis.

TABLE
RELATIONSHIP BETWEEN AGE OF THE RESPONDENTS AND POST OFFICE SAVING SCHEMES

AGE	POST OFFICE SAVING SCHEMES							TOTAL
	SB	RD	TD	SSA	PPF	RPLI	PLI	
Below 20 years	1	0	1	0	0	0	0	2
21 – 30 years	18	8	4	3	7	2	14	56
31 – 40 years	10	2	6	4	7	1	6	36
Above 40 years	8	7	4	1	26	2	9	57
TOTAL	37	17	15	8	40	5	29	151

To find out the association between age and usage of post office saving schemes of the respondents, chi square test is used and result is given below.

HYPOTHESIS

There is no a significant between the age of the respondents and post office saving schemes

CHI – SQUARE TEST

Factor	Calculation value	Df	Table value	Remarks
AGE	31.058	18	28.869	REJECTED

INTERPRETATION: It is clear from the above table show that, the calculated value of chi-square at 0.05% level is greater than the table value. Hence the hypothesis is Rejected. So there is no relationship between the age and post office saving schemes of respondents.

3.3 WEIGHTED AVERAGE

Weighted average is a calculation that takes into account the varying degrees of importance of the numbers in a data set. In Calculating a Weighted average, each number in the data set is multiplied by a predetermined weight before the final calculation is made.

TABLE**SATISFACTION LEVEL OF BASIC AMENITIES AVAILABLE IN POST OFFICE**

ATTRIBUTES	1(5)	2(4)	3(3)	4(2)	5(1)	TOTAL	MEAN SCORE
Location	91 (455)	45 (180)	9 (27)	3 (6)	3 (3)	151 (671)	4.44
Parking facilities	21 (105)	72 (288)	20 (60)	30 (60)	8 (8)	151 (521)	3.45
Infrastructure Facilities	36 (180)	49 (196)	41 (123)	19 (38)	6 (6)	151 (543)	3.59
Seating arrangements	18 (90)	74 (296)	20 (60)	23 (46)	16 (16)	151 (508)	3.36
Adequate space in office	47 (235)	53 (212)	22 (66)	13 (26)	16 (16)	151 (555)	3.67
Drinking water facility	20 (100)	74 (296)	17 (51)	21 (42)	19 (19)	151 (508)	3.36

INTERPRETATION: The above table justifies the satisfaction level of basic amenities available in post office. The Highest mean score is 4.44 for location of post office.

3.4 RANK ANALYSIS

Ranking the observation according to the size and the basis of the calculation on the rank rather than the original observation in the research rank is used to determine the exporters in term of the number of respondents. The average is used to find the factors that have the highest priority. The highest Priority is ranked as first followed by second, third and so on.

TABLE**RANKING FACTOR**

FACTORS	1(5)	2(4)	3(3)	4(2)	4(1)	TOTAL	RANK
PROCEDURE IS EASY TO FOLLOW	66 330	15 60	31 93	23 46	16 16	151 545	II
VARIOUS SCHEMES ARE AVAILABLE	38 190	50 200	30 90	15 30	18 18	151 528	III
INTEREST RATE IS HIGH	42 210	22 88	53 159	18 36	16 16	151 509	IV

AT HOME SERVICES IS AVAILABLE	31 155	31 124	27 81	32 64	30 30	151 454	VII
SECURITY IS GUARANTEED	63 315	29 116	26 78	11 22	22 22	151 553	I
REINVESTMENT FACILITY IS AVAILABLE	39 195	28 112	30 90	33 66	21 21	151 484	VI
AGENT SERVICES IS GOOD	35 175	32 128	50 150	18 36	16 16	151 505	V

INTERPRETATION: From this ranking analysis, it is found that Security is guaranteed (Rank 1), which comes next followed by Procedure is easy to follow (Rank 2), Various schemes are available (Rank 3), Interest rate is high (Rank 4), Agent services is good (Rank 5), Reinvestment facility is available (Rank 6), At home service is available (Rank 7).

INFERENCE: Majority of the respondent's Security is guaranteed in post office saving scheme. And At home service is available is last in ranking.

IV. FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS OF THE STUDY

1. SIMPLE PERCENTAGE ANALYSIS

- Majority 62% of the respondents are belonging to Female.
- Majority 38% of the respondents are falls under the age of Above 40 years
- Majority 54% of the respondents are living in urban.
- Majority 63% of the respondents are Married.
- Majority 64% of the respondents are Completed UG graduate.
- Majority 49% of the respondents are belonging to Government employee.
- Majority 43% of the respondents are earning between 10001-20000.
- Majority 69% of the respondents are belonging to nuclear family.
- Majority 70% of the respondents are between 3 – 5 members.
- Majority 49% of the respondents have 2 members.
- Majority 58% of the respondents are from post office employees.
- Majority 34% of the respondents chooses Above 5 years.
- Majority 44% of the respondents Chooses for Future life assurance.
- Majority 76% of the respondents Chooses salary income.

- Majority 38% of the respondents are from invest on other post office savings schemes.
- Majority 67% of the respondents are for safety.
- Majority 42% of the respondents chooses specimen signature problem.

2. CHI –SQUARE ANALYSIS

- There is no significant between the age of the respondents and Post office saving schemes of respondents.
- There is significant between the gender of the respondents and Purpose you prefer in online facility in post office.

3. WEIGHTED AVERAGE

The Highest mean score is 4.44 for Location.

4. RANK ANALYSIS

Majority of the respondent's Security is guaranteed in post office saving scheme. And At home services is available is last in ranking.

SUGGESTIONS

- Need more technologies in Branch office (BO)
- Should appoint one BPM and one ABPM in each area to spread the awareness about postal schemes among public
- Post office has introduced more schemes but have to advertise to the people through post office camps in various areas.
- Post office savings account is best to save money and gives a better return but can improve online facility for easy accessibility of postal schemes.
- During power cut officials informing no generator and ups facility. Services gets affected during power cut.
- Working on server issues and making everything online would make people prefer post offices more than the bank.

CONCLUSION

Today postal department has to equip itself by improving its service and saving schemes to satisfy the customers. In the light of changing environment, it has to constantly upgrade its knowledge of the internal and external environment to understand the customer relationship properly. Saving is important for human life as savings gives life and security. One of the main motives of the Department of Post is to uplift the savings of the people. Savings not only help the people, but also help for the economic development. Though there are many saving options available, as a public organization, the Department of Post should try to give innovative saving schemes to the public. India Poat is all set to become strong and stronger, spreading a joyful light to people everywhere. It is bound to overcome all the hurdles presented by the new environment in the electronic age. Its doors are thrown wide open with customer delight in mind. It goes on with a noble mission of uniting humankind world over.

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