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Role Of Doorstep Banking Services In Private And Public Sector Banks – A Case Study Of Mysore District

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Abstract:

Door Step Banking literally through Universal touch Point or the essential service by which customers can avail many of the banking transaction services through the Agent engaged by the Bank. This service is convenience and helpful to customers to get the benefit of different accounts from their Door Step. Doorstep Banking (DSB) Service is the process where the customers access the basic banking services like cash and cheque deposits or cash withdrawals from the comfort of their homes. Or the work places. Customers can also request for cash to be delivered to your home address against a self-drawn cheque, along with cheque pick-up services. Doorstep Banking Service is offered to senior citizens who are above 70 years old and to differently-abled customers. Dedicated Cash in Transit agent's deposits cash and cheques in your bank account on your behalf. Doorstep banking services applicable to all the individuals having full KYC-compliant savings/current account with a valid mobile number registered with their Bank. The service is not being available for accounts operated jointly, minor account and accounts of non-personal nature. Doorstep banking became utmost important during the period of lockdown where public transport, services which made it extremely difficult for the aged and disabled to reach out to bank branches to avail the services.

Keywords: DSB services, KYC, public and private banks.

Introduction:

Banks have come a long way in extending banking services to its customers. Earlier, the banks were quite hesitant and have restrictive approach in extending banking service but over a period of time, this approach has changed considerably. Now-a-days, banks are coming up with innovative online and offline banking facilities for its customers. Such change in approach is probably due to socio-economic changes, increasing competitive environment and instructions from the regulators etc. One of such banking service which has seen tremendous change in approach is “Doorstep Banking”. Before we delve into the slow change of approach, let’s understand what it means by this term. Doorstep banking means extending banking facilities at the premises of the customers. RBI has recognized certain activities which can be extended by a bank to the premises of the customer such as pick-up and delivery of cash and other instruments etc. These services are considered as mere extension of banking services offered at the branch. As per Section 23 of Banking Regulation Act, 1949, a bank cannot provide doorstep banking unless approved by RBI. It says that a banking company cannot open a new place of business in India or in a foreign country or change the existing place of business without obtaining prior permission of Reserve bank of India (RBI).

However, such restriction is not applicable if such change of place of business happens within the boundaries of same city. Further, such restriction shall not apply on opening a temporary place of business in a city or village where it has prior existence, on the occasion of fair, exhibition, conference etc. "Place of business" means any sub-office, pay office, sub pay office and any place of business at which deposits are received, cheques cashed or moneys lent. In line with aforesaid provision, RBI has warned the banks to not to extend any banking facilities at the premises of their customers, without obtaining the required permission from Reserve Bank of India. However, in April 2005, the RBI partially lifted the restriction and allowed banks to make available banking services like collection of cash at the premises of Government Departments like Railways etc. Such restriction was removed after RBI received numerous representations from the Government departments about the need for better handling of cash received at the premises of Government Department. For example- booking of railway tickets or payment of electricity bills etc. It was also advised by RBI that banks need to formulate a scheme for providing such services and after getting approval of bank’s board submit to the same for approval of RBI.

Customers can now avail basic banking services such as cheque drop/ collection and cash deposits/ withdrawals, from the comfort of their home. One can even open a fresh fixed deposit, using Doorstep Banking Services or DBS. The services offered under DBS vary from bank to bank. To get these services, customers need to raise a request over the phone or over the mobile banking facility of their banks. The bank will then assess the request and send their personnel to the registered communication address of the customer. While a few banks such as Axis Bank extend these services to all customers, many of them offer DBS only to senior citizens (aged 70 and above) and those who are differently-abled or infirm — those with

medically certified chronic illness or disability. Following the success of DBS with private banks, the Finance Minister earlier this month announced an alliance (as part of the EASE Banking Reforms), to be formed by the 12 public sector banks for the DBS initiative. The customers of these PSBs can now avail DBS through universal touch points of call centre, web portal or mobile app. The services would be rendered by doorstep banking agents, from October 2020 at 100 top deposit centres. PSBs are also mulling to form a separate company for this DBS alliance. Doorstep banking is a boon for the not so tech-savvy customers, seniors and differently-abled.

Still, many transactions mandate a branch visit. Take, for instance, the submission of forms, such as Form 15G/H and life certificate for a pensioner. Thanks to DBS, all this can be done at the comfort of your home. A few banks at select branches also send a mobile ATM, upon request, under their DBS initiatives. Through their recent alliance, PSBs currently only offer non-financial transactions under DBS.. The processing time for the DBS request can be a limiting factor too. Currently, the responses are not instant, unlike the conventional internet or mobile or phone banking services and hence it may not be suitable for time-bound transactions. Most banks offer these doorstep banking facilities on working days only and banks take anywhere between one to two working days to process a request.

Review of literature:

K.Saravanan and K.Muttu Lakshmi, has analysed the various services that are provided by the banking sector in the present generation and also mentions that the banking sector plays a vital role in the development of one country's economy. The growth of banking sector depends upon the services provided by them to the customers in various aspects. Financial innovation in India is key to making growth inclusive by connecting hundreds of millions to the banking system, said panellists at the World Economic Forum's India Economic Summit.

Anjinikochar, has identified the effects of access to financial institutions utilizing longitudinal variation in conjunction with geographic eligibility criterion that provided services to villages. The study focuses the India's financial inclusion and relevant welfare policies with based on statistical data and survey data. In this views, the study also focuses theoretical framework under the empirical analysis.

Leopold Sarr and Santadarshan Sadhu, Highlighted the obstacles to the use of branchless banking has been the low level of familiarity and trust with the technology behind electronic cards and mobile phone banking among the poor. This paper explores the uptake of branchless banking in one of the largest BC programs in the world.

Chandekar Murlidhar G and Khedkar AmrutaMandar, To overcome the shrinking deposits, to increase the number of accounts etc., bank has to be updated and come up with the new technique in cash management services. Banks are now thinking about the customer's point of view and trying to bring the maximum services door to door of the consumers. Efficient cash management services helps for efficient collection and payment techniques, proper disbursements of free funds, helps for urgent cash requirements etc.

Bollu Sravani and B.VasuNaik, Micro bank machine is intended to grant services to the purchasers in rural areas and remote places such as villages. The main aim of the handheld machine is to administer banking services like money withdrawals and money deposits while not the person able to go to the banks in remote areas where even a GSM cellular association isn't possible.

Lakshmi Mohan, Devendra Potnis and Steven Alter, This article addresses the dearth of such research in the IS literature by examining the contribution that IS innovations have made in the micro finance. "Door step banking model" as a means of reaching the poor. This system bank comes to the poor through the MFI's loan, who travel to villages in order to disburse the initial loan to clients and collect repayments in periodic instalments, usually weekly or fortnightly.

Seema malik, Research work highlights the challenges faced by Indian banking in present scenario and how the innovation have transforms to development in Indian banking Industry. Indian banking system touches the lives of millions of people and it is growing at a fast pace. Banking industry in India is facing number of challenges like changing needs and perceptions of customers, new regulations from time to time and great advances in technologies. India's banking system has seen some major financial innovations in the past decades which lead to tremendous improvements in banking services and operations

Statement of problem:

The problem that was examined in this research was to develop and test a conceptual model that describes the clear understanding about the various services that are offered by the banking sector. Relationship between financial wellness, investment and savings of an individual, but due to lack of proper knowledge about the various schemes, managing to utilize the benefits that are offered by the public and private sector is a challenge. Today as the society is moving in a fast and furious manner, uncertainty is a downfall and it may arise anytime and anywhere and also as the systems are getting very complicated and sophisticated all set of people cannot get the utmost knowledge about the facilities. Hence this study highly focuses on creating awareness among the individuals about the need of investment, information about services and the savings which is necessary for meeting our needs, wants and demands, as a result of meeting the individual perceptions and the satisfaction.

Need of the study:

The concept of doorstep banking and knowledge and the awareness about the various schemes will provide a base for future research development. Development of a service schemes for the betterment of the society can be achieved based on this research. The related study can be used in research examining the relationship between awareness, knowledge, safety and security, skills, biological factors, rewards, promotions and work life balances. This study can provide a base for illustrating the progression in all sectors through the innovative schemes for the well being of customers. Also, this research can offer helpful information for identifying some causes of customer's problems as well as estimating the steps to overcome the difficulties through proper precautionary measures. The concept can provide useful information to financial counselors, agents, employees, customers financial planners, age old people, physically disabled and other practitioners.

Objectives of the study:

1. To know about the doorstep banking services provided by public and private sector.
2. To understand the perception of customers and employees regarding the services provided in doorstep banking scheme.

Significance of the study:

1. Doorstep banking service is necessary to study the benefits which are provided by the private and public sector banks in offering service to its customers especially for senior citizens.
2. Doorstep Banking is more concentrated on 'No queuing at the branch' because bank is at your doorstep.
3. The desire of every Bank is customer satisfaction. This can only be achieved when customers are satisfied with the service provided by banks, which is helpful to their daily lives.

Hypothesis:

- H_0 : The overall job satisfaction of employees will not have a positive impact on delivering good Customer services.
- H_2 : The overall job satisfaction of employees will have a positive impact on delivering good Customer services.

Scope of the study:

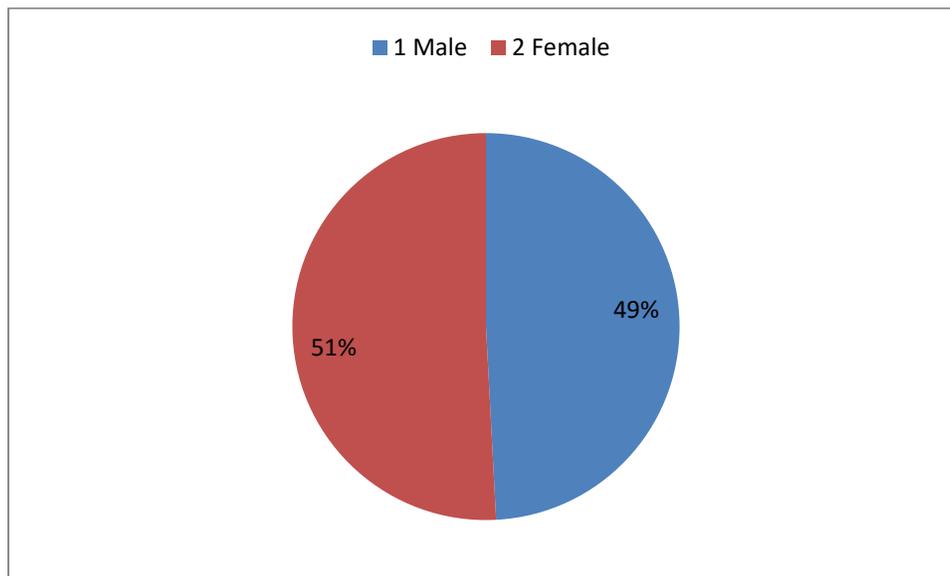
As an important part of the overall satisfaction, doorstep banking is mainly concerned with the use and application of funds by an individual. Nowadays information, knowledge and awareness play a vital role in the overall development of an individual. Investment decisions, safety, security, trust factors are the key variables in the utilization of benefits. The study also highlights the awareness of the concept of doorstep banking schemes and the variables associated with it. Therefore the study is conducted by considering the employees working and the customers associated in both public and private sector.

Research methodology:

The whole research study is based on the primary as well as secondary data and it has been done for the successful answering for the mentioned objectives. It is descriptive. A descriptive research approach will be undertaken in analyzing and collecting data from the members of staff of the bank so that research quality and quantity can be ensured. Statistical data developed through understanding the various reports, newspapers, websites, books, and online databases. Considering the nature of the investigation in this study, data will be collected through the use of questionnaires, which would be distributed among about 120 respondents who are willing to participate in the survey. The name of this bank is withheld for confidentiality purposes.

Data analysis and interpretations:**Classification based on Gender****Table No: 01**

Sl. No	Particulars	Frequency	Percentage
1	Male	59	49.16
2	Female	61	50.83
Total		120	100



Primary source

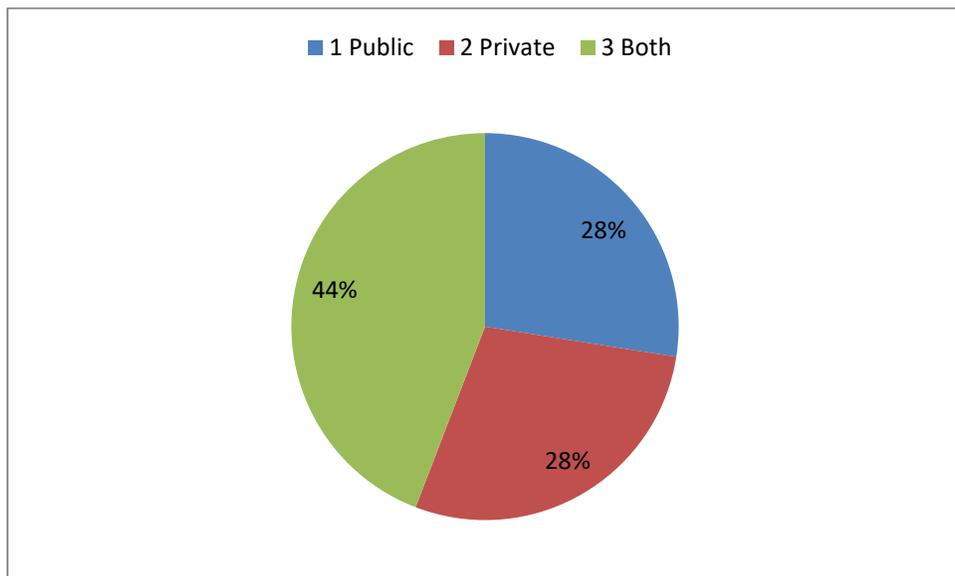
From the above table reveals that the opinion about the above statement, 49.16 % is Male and 50.83% are Female respectively.

From the above data I can conclude that most of our respondents are female.

Classification based on the respondents was asked about which banking sector's DSB services do their avail.

Table No: 02

Sl. No	Particulars	Frequency	Percentage
1	Public	33	27.5
2	Private	34	28.33
3	Both	53	44.17
Total		120	100



Primary source

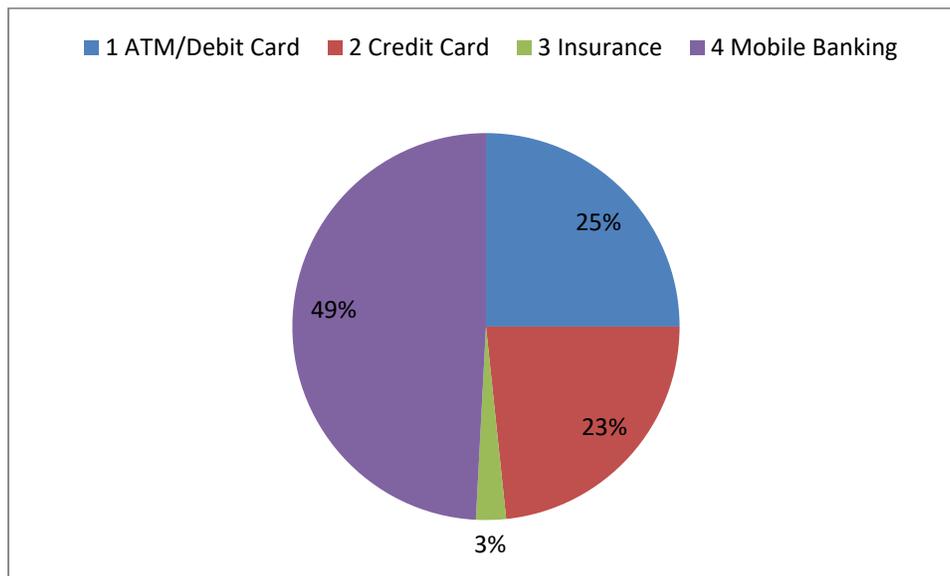
From the above table reveals that the opinion about the above statement, 27.5 % is Public sector, 28.33% is Private sector and 44.17% are both respectively.

It was found that most of the respondents were availing services of both public and private sector banks.

The respondents were asked about the facilities they were availing in public as well as private sector banks:

Table No: 03

Sl. No	Particulars	Frequency	Percentage
1	ATM/Debit Card	30	25
2	Credit Card	28	22.33
3	Insurance	3	2.5
4	Mobile Banking	59	49.16
Total		120	100



Primary source

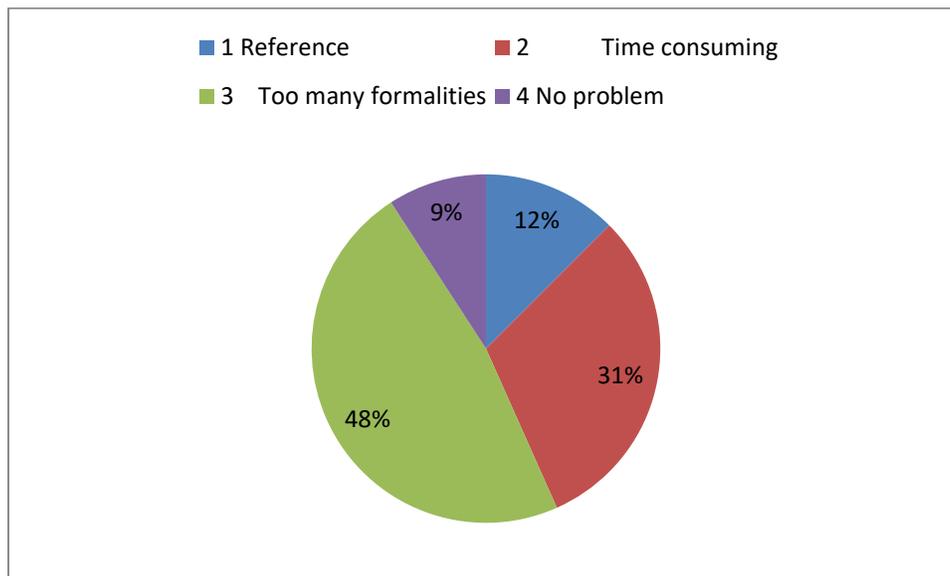
From the above table reveals that the opinion about the above statement, 25 % are related to ATM/Debit Card, 22.33% are related to Credit Card, 2.5% are for Insurance, and 49.16 % are for Mobile Banking Respectively.

Therefore, the more numbers was found to avail mobile banking.

Classification based on whether the respondent faces any problem regarding the DSB services provided them by their preferred bank:

Table No: 04

Sl. No	Particulars	Frequency	Percentage
1	Reference	15	12.5
2	Time consuming	37	30.83
3	Too many formalities	57	47.5
4	No problem	11	9.16
Total		120	100



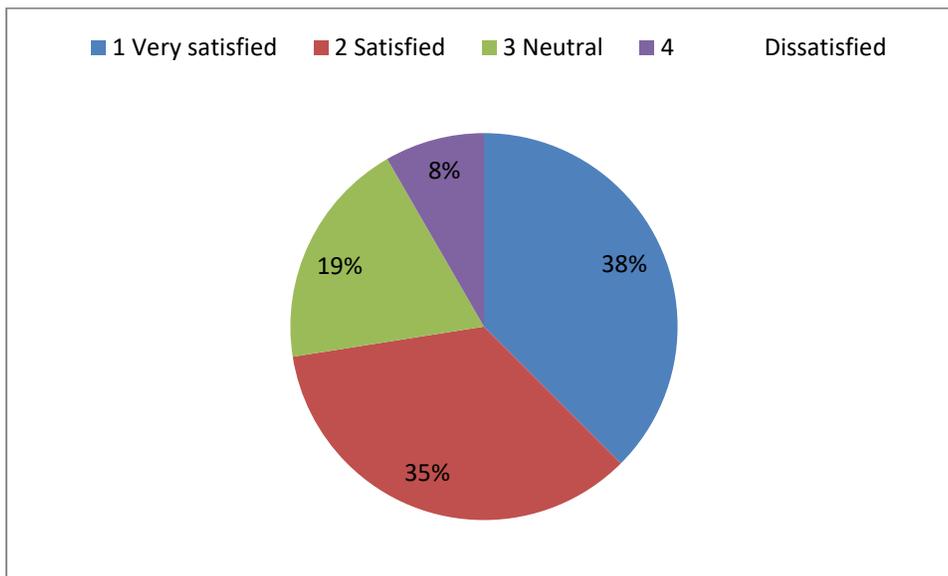
Primary source

From the above table reveals that the opinion about the above statement, reference is 12.5%, time consuming is 30.83%, too many formalities are with 47.5% and no problem with 9.16% respectively. It was found that most of the respondents are facing problem of too many formalities.

Classification based on Satisfaction level of the customers regarding the DSB facilities availed from the banks.

Table No: 05

Sl. No	Particulars	Frequency	Percentage
1	Very satisfied	45	37.5
2	Satisfied	42	35
3	Neutral	23	19.16
4	Dissatisfied	10	8.33
Total		120	100



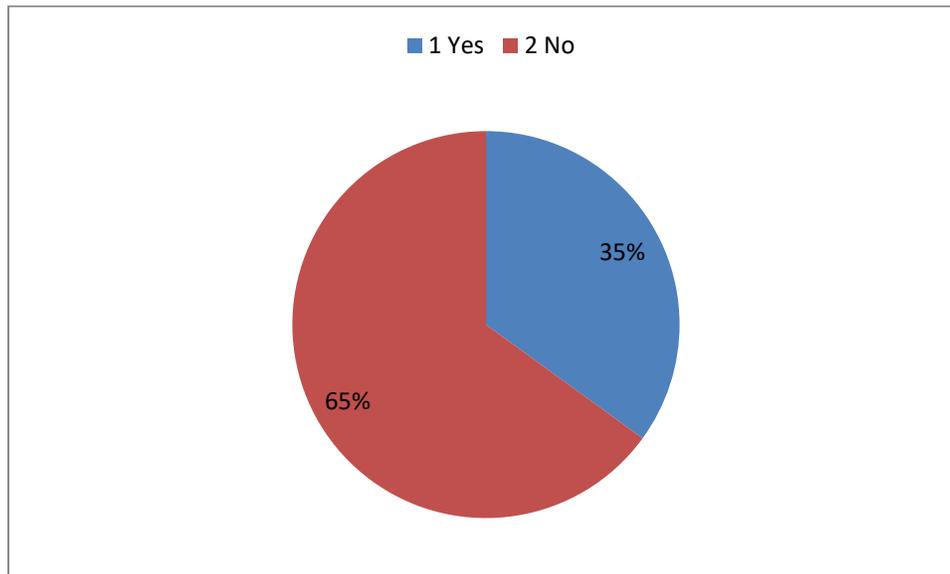
Primary source

from the above table reveals that the opinion about the above statement, 37.5 % are of very satisfied , 35 % are satisfied, 19.16 % are Neutral and 8.33 % are of dissatisfied respectively. Therefore, the more numbers are seen in very satisfied factor.

Classifications based on the respondents were asked that if they have given option, would they like to shift from the present banks.

Table No: 06

Sl. No	Particulars	Frequency	Percentage
1	Yes	42	35
2	No	78	65
Total		120	100



Primary source

From the above table reveals that the opinions about the above statement, 35% are willing to shift and 65 % are not willing to shift from their present banks.

Customers seem to be satisfied from their bank and hence not willing to shift from their present bank to other.

Findings:

1. It is found that most of our respondents are female with 50.83%.
2. It is found that most of the respondents were availing services of both public and private sector banks with 44.17%.
3. It is identified that the more numbers to avail the services through mobile banking with 49.16 %.
4. It was found that most of the respondents are facing problem of too many formalities with 47.5%.
5. It is identified that more numbers are seen in very satisfied factor regarding the DSB facilities availed from the banks with 37.5%.
6. It is found that Customers seem to be satisfied from their bank and hence not willing to shift from their present bank to other with 65%.

Suggestions:

1. Ensure that employees are well trained and knowledgeable about all the services offered through doorstep banking .this includes understanding various transactions, procedures and policies.
2. Provide training to employees to enhance their communication skills, including active listening, clear and concise explanations and effective problem solving techniques.
3. Emphasize the importance of delivering exceptional customer service during doorstep interactions this includes being courteous, friendly and empathetic towards customers needs and preferences.

4. Regularly gather feedback from customers regarding their experiences with doorstep banking services. This feedback can help identify areas for improvement and gauge customer satisfaction.

Limitations of the study:

1. The future is unpredictable, and most of the time things do not work as we think or as we anticipate to work, hence lack of knowledge, information and awareness may result positive or negative which is uncertain.
2. The result of this study may be limited in terms of generalization because it refers only to a single city and this extinguishes the opportunity of making comparison and generalizing to the other parts of country.
3. The sample of the study consisted of only 100 respondents due to time constraints.
4. The questionnaires were mostly filled by the customers in the presence of bank officials, so it is quite possible that the respondents may avoid giving negative responses fearing retaliation.

Conclusion:

To conclude doorstep banking services has emerged as a convenient and customer centric approach to banking. They offer customers the convenience of accessing banking services at their doorstep, saving time and effort. By leveraging technology and personalized service delivery, commercial banks can enhance customer satisfaction and loyalty. However, careful planning, coordination and investment in infrastructure and training are vital for successful implementation and seamless service delivery in doorstep banking.

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