

Impact of Occupation on preference of Self-Service Technology in Jharkhand

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Abstract: *This study describes whether occupation has any impact on preference of Self Service Technology (ATM, Internet Banking and Tele Banking) in the state of Jharkhand. It is imperative for service industries to hinge their focus on customer centricity as the crucial aspect of its business. A service firm may achieve success in the marketplace by delivering higher quality service than competitors and exceeding customer's expectations. Exploration of the customer's preference and the categorization of the demographic variables i.e. occupation have been done with the help of review of existing literature and valued opinion of experts. Data has been collected from primary as well as secondary sources in the research work. This paper describes the methodologies used in this research, as well as the data analysis techniques employed for the analysis of the results. The need of the customers has been analyzed to reconfigure Self Service Technology strategies so that the facilities could be more customer-centric in relation to customer quality and preference.*

Keywords: *customer, preference, self-service technology, occupation.*

1. INTRODUCTION

The service sector is enormously large and varied. Services are deeds, acts or performances (Berry .L.L, 1980). Services are activities, benefits or preference which are offered for sale, are provided in connection with the sale of good (AMA, 1960). Customers expect service basics delivered at a level they believe commensurate with the price they pay. Companies have a significant opportunity to improve their service reputations simply by delivering a higher percentage of the time the basic service customers think they are buying. One influence on the adequate service level is the number of service alternatives customers perceive. If customers perceive that they have alternative suppliers from which to choose, their zone of tolerance is likely to be smaller than if they don't feel they have this flexibility. Customers desire for customized, personalized service as well as closer relationships with the firms. It is therefore critical to evaluate how service firms can use their resources most effectively to benefit its customers. There is

also a need to comprehend customer participation in service delivery by integrating the diverse literature on customer participation, education and problem management.

As technology enabled retailing (in the service sector) has grown rapidly worldwide and become globally competitive over the past decade, how to retain existing customers to make repeated purchases (hereafter referred to as repurchase) becomes a more important concern for firms than ever before (Johnson et al. 2008).

2. OBJECTIVE

The objective of this paper to study and analyze the impact of occupation on preference of Self-Service Technology with reference to banking sector in Jharkhand. The demographic factor taken into consideration is occupation. The respondents studied have been segregated with the help of review of literature and valued opinion of experts from the banking sector.

3. HYPOTHESES

In order to achieve the above mentioned objective, a set of hypotheses have been formulated, which will be tested and conclusions will be drawn on the basis of the test results. The hypothesis is mentioned below:

H0: Occupation does not have a significant impact on the adoption of self-service technology.

H1: Occupation has a significant impact on the adoption of self-service technology.

4. METHODOLOGY

The type of research used is Ex-post facto and empirical research. Ex-post facto is ideal for conducting social research when it is not possible or acceptable to manipulate the characteristics of human participants. It is a substitute for true experimental research and can be used to test hypothesis about cause and effect or correlation relationships (Simon and Goes, 2013). Empirical research is appropriate when proof is sought that certain variables affect other variables in some way. Evidence gathered through experimental or empirical studies is today considered to be the most powerful support possible for given hypothesis (Kothari, 2004).

5. SOURCE OF DATA

The present research utilizes both primary and secondary data sources. The primary data was collected through a sample survey using structured pre-tested questionnaire from bank customers residing in the following urban branches and semi-urban branches of Jharkhand.

Sampling Design

The final usable sample size obtained in the research is 400 i.e. 100 from each bank- State Bank of India & Bank of India; HDFC & ICICI Bank.

6. RESEARCH INSTRUMENT

One-Way ANOVA is done in order to know whether the different types of occupation, denoted as v1, has significant impact on the use of Self-service Technology. For the purpose, the respondents studied have been segregated into five categories;

- a.Salaried
- b.Self-Employed
- c.Student
- d.House-wife
- e. Others

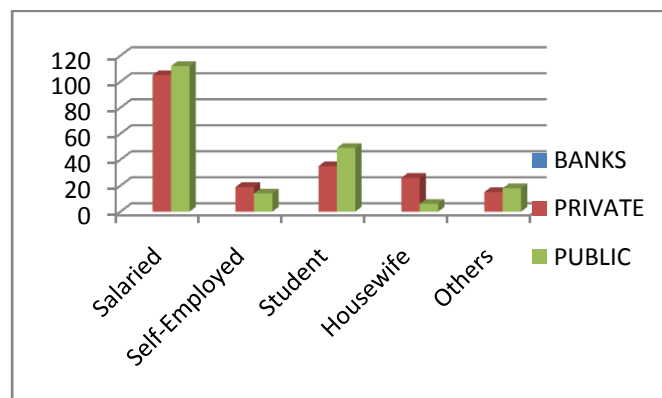


Fig 1: Occupational wise distribution of the sampled respondents reveals that, it is the salaried category using more of self-service technology.

These categories are denoted respectively as 0, 1, 2, 3 and 4 for analysis purpose in SPSS. Preference for Self-service technology is the dependent variable and in analysis, it is denoted as v2.

7. HYPOTHESIS ON OCCUPATION

H0: Occupation does not have a significant impact on the adoption of self-service technology.

H1: Occupation has a significant impact on the adoption of self-service technology

The relevant portion of SPSS output sheet is presented below to infer whether there is any significant effect of Occupation/Occupation on the preference of Self-service technology:

ANOVA Output for Occupation: ATM usage

Usage

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	133.407	4	33.352	25.054	.000
Within Groups	523.168	393	1.331		
Total	656.575	397			

Source: SPSS Output

The exact significant level (p value) of ANOVA is exhibited in 6th Col. (Sig.) of table. The level of significance set by us is 5%, i.e., $\alpha = 0.05$ (on the basis of existing researches of Similar type). The table reveals that ‘p’ value is equal to 0. In fact, since $p = 0$ and is less than $\alpha = 0.05$, the null hypothesis is not accepted. That means, the Occupation has significant level of impact on usage of ATM.

ANOVA Output for Occupation: Internet Banking

Usage

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	120.038	4	30.010	14.777	.000
Within Groups	798.133	393	2.031		
Total	918.171	397			

Source: SPSS Output

The exact significant level (p value) of ANOVA is exhibited in 6th Col. (Sig.) of table. The level of significance set by us is 5%, i.e., $\alpha = 0.05$ (on the basis of existing researches of Similar type). The table reveals that ‘p’ value is equal to 0. In fact, since $p = 0$ and is less than $\alpha = 0.05$, the null hypothesis is not accepted. That means, Occupation has significant level of impact on usage of Internet Banking.

ANOVA Output for Occupation: Tele banking

Usage

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.059	4	.765	2.588	.037
Within Groups	91.301	309	.295		
Total	94.360	313			

Source: SPSS Output

The exact significant level (p value) of ANOVA is exhibited in 6th Col. (Sig.). The level of significance set by us is 5%, i.e., $\alpha = 0.05$ (on the basis of existing researches of Similar type). The table reveals that ‘p’ value is equal to 0.037. In fact, since $p = 0.037$ and is less than $\alpha = 0.05$, the null hypothesis is not accepted and the alternative hypothesis is accepted and established. That means, Occupation has an impact on the consumers’ preference towards Tele- banking.

8. FINDINGS

Occupation significantly impacts the consumers’ preference towards ATM, Internet Banking and tele-banking. The salaried category uses more of self-service technology.

The other major findings were that ATM services are widely used by the customers as compared to Internet Banking and Tele banking services. The reason for not using internet banking or Tele- banking as found from Literature review, discussion with banking experts and respondents are as follows:

1. Customers avoid using Internet Banking due to lack of trust and fear of security
2. Lack of training by the bank to use internet banking or Tele- banking

9. LIMITATIONS

1. The research study is limited to respondents related to only ATM, internet banking and Tele- banking services. No other self-service technology provided by banks is considered in this study.
2. The research study is limited to only Jharkhand and the. The rural parts of Jharkhand are not being studied. Urban branches were chosen for the study as the customers of urban branches of banks are more adaptive to newer technology-enabled banking services and such services are mostly offered in urban branches by the banks.

10. CONCLUSION

It has been analyzed that though several self-service technology are provided by banks, only ATMs are widely adopted by the customers. Adoption of other modes of Self-service technology like internet banking or telebanking is still not widely adopted. It is the salaried category using more of self-service technology.

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