

## Banking Habit of Rural Women in Kerala

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### ABSTRACT

Banking sector plays an important role in rural areas of Kerala. People from rural area approach banks for various services such as making deposit, taking loans, payment of salary, wages and pension, transferring money, bill payment and other agency function. In the present stabilized era because of stiff competition and advancement of technology, the services provided by banks have become more easy and convenient. The proportion of women availing banking services has been increasing in rural Kerala. The banking habit of rural women depends on how banks successfully communicate with their women customers while providing outstanding sales and services and through an increase in the banking habit of rural women they become familiar with the products and services available to them such as current, savings and investment accounts, credit cards, auto finance, real estate and much more. More importantly, they learn how to utilize these products; proper policy and procedure, protecting themselves, their money and status. The proportion of women customers relatively high in Kerala compared to other states in India. Unfortunately, no serious attempt has been made in Kerala to understand the banking habit of women customers in rural areas. The present study analyze the banking habit of rural women in Kerala.

### 1. INTRODUCTION

Numerous regulatory measures have been implemented, allowing the banking system to significantly contribute to the economic development of rural areas. Most people depend on banks for their financial requirements. The proportion of men customers in banks are increasing faster than women. Thus, women who access banks for their financial transactions are low. Women in rural areas often face significant challenges in accessing banking services, primarily due to their responsibilities related to childcare and household duties, which hinder their ability to travel to financial institutions. Additionally, the limited control that economically disadvantaged women have over essential resources, such as land and labor, restricts their eligibility for loans. Furthermore, illiteracy presents an additional obstacle in navigating the necessary paperwork for financial transactions. However, as a consequence of their newly embraced financial responsibilities, an increasing number of women are gaining access to education and acquiring the skills and qualifications that rural women are pursuing, leading them to seek banks that can cater to their specific needs. Financial institutions situated in rural regions have the opportunity to engage with the increasing demographic of female clientele by offering tailored banking products and services. In rural regions, there is a notable advancement in the provision of banking products and services tailored specifically for women; this development is set to enhance the proportion of female clientele, thereby positioning banks more favorably in light of the increasing number of women customers. As women in rural areas increasingly assert control over their financial resources, there emerges a pressing necessity for banking institutions to develop products and services tailored to their specific requirements.

### OBJECTIVES OF THE STUDY

1. To analyse the banking habit of rural women in Kerala.
2. To examine whether the banking habit of rural women in Kerala is differ according to the types of bank.
3. To examine the level of customer satisfaction of women bank customers in the rural areas.

## METHODOLOGY

The present study is mainly based on the primary data. The primary data has been collected from the 75 women bank customers from Cherpulassery Panchayat of Ottapalam Taluk of Palakkad District by using interview schedule.

## SIGNIFICANCE OF THE STUDY

The establishment of rural branches of major central and private banks has facilitated the growth of banking habits in rural areas, particularly among women. The country would naturally prosper if the banking industry offers effective banking in rural areas. The banking habit of rural women plays a significant role in the growth and development of banks in the rural areas and the economy as a whole. In this context it is important to make a detailed study on banking habit of rural women in Kerala.

## REVIEW OF LITERATURE

Emuna Braverman(2006) ; in a customer banking habit survey find that Regarding their banking objectives, young Americans are unsure and anticipate using more bank services in the future. These blank state folks are candidates to become future bank customers if they given proper education. Laura Bruce (2008) ; observed that banking habits and save money. The findings of this study indicated that the banking customers must keep the banking costs down, by understanding himself as a banking customers to avoid fees. Mathew Valencia(2010) ; studied how banking habits affect credit history. In this study, he found that banking history may be one of the factors that lenders consider when evaluating credit or credit score. Bank account usage can serve as a gauge for creditors, and there are some warning signs that can land you in serious financial problems.

. Alex Matjanec(2010); examines that by knowing banking habits,save money. The findings of this study is that there is no denying banking can be expensive, but it does not need to be if customers are paying an assortment of fees each month the answer could be easily be that customers have the wrong account, take a minute before start customer search and make a list of the ways interact with bank. Arnav Pandya(2010) ; examines change in the old banking habits. This study's finding indicates that a minor forthcoming adjustment will influence how Indians manage bank cheques. The Reserve Bank of India has amended the regulations regarding allowed alterations on cheques. Numerous banks have been notifying their clients of the imminent implementation of this move.

## DATA ANALYSIS AND INTERPRETATION

### I. Sociological Profile of Rural Women

#### Age Profile

**Table 2.1**

**Average Age of Rural Women**

Minimum	Maximum	Percentage
21	67	40.21

Table 2.1 shows that the age of respondents ranges between 21 - 67 years and the average age of rural women is found to be a little above 40 years.

#### Educational Status of Rural Women

**Table 2.2****Educational Status**

SI No	Educational Qualification	Number of Respondents	Percentage
1	Below SSLC	20	26.67
2	SSLC	24	32.00
3	Plus Two	6	8.00
4	Graduation	10	13.33
5	Post Graduation	8	10.67
6	Other	7	9.33
	Total	75	100.00

The above table shows that only one-third of the total respondents have got education upto graduation and above. It is disappointing to note that more than one-fourth of the rural women are not educated upto SSLC.

**II. Banking Habit of Rural Women****Reasons for Taking Bank Account**
**Table 2.3**  
**Reasons for Taking Bank Account**

SI No	Reasons	Types of Bank			Total	Percentage
		Nationalized	Private Scheduled	Cooperative		
1	Deposit	17	5	3	25	33.3
2	Loan	2	1	4	7	9.3
3	Money Transfer	8	2	1	11	14.7
4	Salary	3	1	1	5	6.7
5	Scholarship	13	0	0	13	17.3
6	Pension	5	0	2	7	9.3
7	Wage	6	1	0	7	9.3
	Total	54	10	11	75	100

It can be observed from the table that more than one-fourth of the rural women approach bank to deposit the second important reason is for availing various scholarships and the next major reason is transferring money. The other notable reasons for the rural women to approach bank reason taking loan, getting wage payment of pension and salary. Most of the rural women go to nationalized bank to deposit their money and scholarship requirements. Only a very small proportion of the rural women approach nationalized bank for taking loans. This is mainly stringent to the official formality and documentation. They prefer cooperative banks for taking loans.

**Frequency Visits**

The banking habit of rural women can also been analysed in terms of frequency of visiting the bank and bank ATM in a given duration.

**Table 2.4**

### Frequency of Visits

Sl No	Days	Types of Bank			Total	Percentage
		Nationalized	Private Scheduled	Cooperative		
1	3-6 Days in a Week	11	3	0	14	18.7
2	1-2 Days in a Week	24	6	6	36	48
3	Never	19	1	5	25	33.3
	Total	54	10	11	75	100

The table above shows that almost half of the rural women customers go to bank one or two days in a week. It can be observed from the table that the frequency of rural women differ across the three types of bank. It shows that women customers of private scheduled bank visit the banks more frequently than the customers of nationalized and cooperatives banks. The frequency of visits is found to be very low among the customers of cooperative bank.

### Factors Attracting Customers to Different Banks

Table 2.5

#### Factors attracting to Different bank

Sl No	Factors	Types of Bank			Total	Percentage
		Nationalized	Private Scheduled	Cooperative		
1	Family members have an A/C with Bank	6	1	1	8	10.7
2	Recommendations by family members	10	2	1	13	17.3
3	Recommendations by friends	1	2	0	3	4.0
4	Know the bank staff	0	2	2	4	5.3
5	Bank has branch on place	13	1	6	20	26.7
6	Location of bank branch and ATM	3	2	0	5	6.7
7	Very safe bank	3	0	1	4	5.3
8	Others	18	0	0	18	24.0
		54	10	11	75	100

It can be noted from the above table that the most important factor attracting rural women to a bank is the proximity of the bank in their place, the other important factor is the recommendations by family members. The proximity of the branch is the important factor that attracts rural women customers into nationalised bank. While private scheduled bank customers are mainly attracted by the recommendations by family members followed by the nearness of location of bank branch and ATM. Rural women customers attracted to cooperative bank because of the proximity of the bank branch.

### III. Customer Satisfaction of Women Bank Customers in Rural Areas

The study examines the customer satisfaction of the women bank customers in the rural areas by using Likert Scale. The responses of the rural women regarding their customer satisfaction is measured on a five-points agree, disagree scale. The responses by women bank customers are given numerical codes 2,1,0,-1,-2 respectively. The results are given below

**Table 2.6****Level of Satisfaction**

Sl No	Factors	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
1	Attitude of Rural Women towards the Attitude of Bank Staff	32.0	41.3	13.3	8.0	5.3
2	Attitude of Rural Women towards the Location of Bank	9.3	30.7	38.7	18.7	2.7
3	Response of Rural Women towards Banking Services	5.3	61.3	26.7	2.7	4.0
4	Attitude of Rural Women towards the Infrastructure Facilities	6.7	61.3	24.0	6.7	1.3
5	Attitude of Rural Women towards the Working Hours	4.0	24.0	50.7	18.7	2.7

It is viewed from the above table that, majority of the rural women bank customers are satisfied with the attitude of bank staff. The rural women bank customers are neither satisfied nor dissatisfied with the location of bank. The response of rural women bank customers shows that they are satisfied with the services provided by bank and the infrastructure facilities. Most of the rural women bank customers are neither satisfied nor dissatisfied with the working hours of the bank.

## CONCLUSION

The data analysis shows that most of the rural women customers taking bank account for depositing their monetary savings and only a small proportion open account for taking loan. There is no interbank difference in the reason for which the rural women take the bank account. The customer satisfaction analysis reveals that majority of rural women bank customers are satisfied with the attitude of bank staff, infrastructure facilities, and services provided by banks, but at the same time they are neither satisfied nor dissatisfied with the location that is proximity of the bank and working hours of the bank.

## SUGGESTIONS

The government should pay more attention for providing adequate education and awareness about banking to the women in the rural areas of Kerala, so that they can easily and efficiently perform the banking transactions. The Reserve Bank of India and bank management should take proper measures for providing adequate information to the rural women regarding various services provided by the banks. Banks should give importance in providing services to their rural women customers easily and quickly.

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