INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

IJRCM

IJRCM

CONTENTS

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT   iii

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

http://ijrcm.org.in/

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT   iv

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

http://ijrcm.org.in/

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work**/**manuscript** <mark>anytime</mark> in *M.S. Word format* after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1.   <mark>**COVERING LETTER FOR SUBMISSION**</mark>:

                                      DATED: _____

THE EDITOR
IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF** _____.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, <mark>please specify</mark>)

DEAR SIR/MADAM

Please find my submission of manuscript titled '_____' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR	:
Designation/Post*	:
Institution/College/University with full address & Pin Code	:
Residential address with Pin Code	:
Mobile Number (s) with country ISD code	:
Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)	:
Landline Number (s) with country ISD code	:
E-mail Address	:
Alternate E-mail Address	:
Nationality	:

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc**. *The qualification of author is not acceptable for the purpose*.

NOTES:

a) The whole manuscript has to be in *ONE MS WORD FILE* only, which will start from the covering letter, inside the manuscript. *pdf. version* is liable to be rejected without any consideration.

b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:

New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.

d) The total size of the file containing the manuscript is expected to be below **1000 KB**.

e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.

f) *The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours* and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.

g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.

2. MANUSCRIPT TITLE: The title of the paper should be typed in **bold letters**, **centered** and **fully capitalised**.

3. AUTHOR NAME (S) & AFFILIATIONS: Author (s) **name**, **designation**, **affiliation** (s), **address**, **mobile/landline number** (s), and **email/alternate email address** should be given underneath the title.

4. ACKNOWLEDGMENTS: Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.

5. ABSTRACT: Abstract should be in **fully Italic printing**, ranging between **150** to **300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a SINGLE PARA. *Abbreviations must be mentioned in full*.

6. KEYWORDS: Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.

7. JEL CODE: Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.

8. MANUSCRIPT: Manuscript must be in *BRITISH ENGLISH* prepared on a standard A4 size *PORTRAIT SETTING PAPER*. It should be free from any errors i.e. *grammatical*, *spelling* or *punctuation. It must be thoroughly edited at your end*.

9. HEADINGS: All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.

10. SUB-HEADINGS: All the sub-headings must be bold-faced, aligned left and fully capitalised.

11. MAIN TEXT:

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:

INTRODUCTION

REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESIS (ES)

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

LIMITATIONS

SCOPE FOR FURTHER RESEARCH

REFERENCES

APPENDIX/ANNEXURE

The manuscript should preferably be in *2000 to 5000 WORDS*, But the limits can vary depending on the nature of the manuscript.

12.   **FIGURES & TABLES:** These should be simple, crystal **CLEAR**, **centered**, **separately numbered** & self-explained, and the **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. *It should be ensured that the tables/figures are referred to from the main text.*

13.   **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.

14.   **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.

15.   **REFERENCES:** The list of all references should be alphabetically arranged. *The author (s) should mention only the actually utilised references in the preparation of manuscript* and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.

- Use (**ed.**) for one editor, and (**ed.s**) for multiple editors.

- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.

- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.

- The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.

- For titles in a language other than English, provide an English translation in parenthesis.

- *Headers, footers, endnotes and* **footnotes** *should* **not be used** *in the document.* However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.

- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

EFFECTIVENESS OF VALUE ADDED SERVICE IN PUBLIC SECTOR BANKS - A FACTOR ANALYSIS

M. SURESH KUMAR
ASST. PROFESSOR
DEPARTMENT OF MANAGEMENT SCIENCE
PALANISAMY COLLEGE OF ARTS
PERUNDURAI

Dr. G. SURESH
ASSOCIATE PROFESSOR
FACULTY OF MANAGEMENT EBET GROUP OF INSTITUTIONS
KANGAYAM

ABSTRACT

Public sector banks provide various value added services to the customers. The awareness level of customers is increasing day by day. Their expectations are also increasing for choice of choosing the product and services. The Public sector banks offering Value Added Services like bill payments, transfer of money, enquiring account balances, buying and selling of financial instruments such as securities, credit cards, mutual funds, ATM cum debit card, insurance policy, demat accounts and so on. Creation of all those facilities involves very huge investment. So it's most important to increase the usage of Value Added Services among the customers to improve the operational efficiency and get maximum benefit from the investment made in these facilities.

INTRODUCTION

Banking industry in India has achieved a new height with the changing times. The use of technology has brought a revolution in the working style of the banks. Today technology not only facilitates automation of process and data processing but also provides more value addition to the entire banking business. Further, it's directly and visibly linked to 'value to customer'. Banking today has transformed into a technology intensive and customer friendly model with a focus of convenience. Information Technologies also facilitates the introduction of new delivery channels – in the form of Automated Teller Machine, Net Banking, Mobile Banking, card mechanism and the like. All though Information Technologies enhances the banks in achieving higher customer satisfaction by extending value added services.

Public sector banks provide various value added services to the customers. The awareness level of customers is increasing day by day. Their expectations are also increasing for choice of choosing the product and services. The Public sector banks offering Value Added Services like bill payments, transfer of money, enquiring account balances, buying and selling of financial instruments such as securities, credit cards, mutual funds, ATM cum debit card, insurance policy, demat accounts and so on. Creation of all those facilities involves very huge investment. So it's most important to increase the usage of Value Added Services among the customers to improve the operational efficiency and get maximum benefit from the investment made in these facilities.

SCOPE OF THE STUDY

Banking services are regarded as one of the important services. Banks provide financial services to the customers. Banks need to create and develop the services which can satisfy the consumer needs. Therefore, the present research work has been carried out to analyze the customer perception towards customer services with value added services of Public sector banks in Erode town. It is limited only to customers of Selected Public sector banks in Erode town. The data was collected from 700 respondents from June 2014 – Dec 2016. The present study mainly highlights the customer perception towards value added services are utilized by the customers provided by the public sector banks.

SIGNIFICANCE OF THE STUDY

In the present world, the customer is a customer of the bank and not of the branch. Consequently, transforming customer demands and explosion of new technologies, such as CBS (Core Banking Solution), Business process Re-engineering (BPR), ATMs, Real Time Gross settlement (RTGS), make it necessary for banks to move from transaction banking to customer-centric solutions.

In order to increase the number of customers using these Value Added Services, it is imperative to understand the customer's awareness and preference for use of Value Added Services, the factors that influence the adoption of these facilities, problems encountered in using Value Added Services and customers expectations. Information on the above aspects would be useful to formulate programme to motivate more and more customers to utilize the value added facilities.

Most of the value added features have been worked out, based on today's technology empowerments and changes in the life style of the users. Now billions of customers are being handled with care and caution by services without scarifying the concepts of privacy and reasonable care. In future, people have to transact using remote banking and virtual banking facilities.

Banks are increasingly launching Self-service banking in the front lobby of branches enables customers to use alternative banking channels-ATMs, Phone Banking, Check Deposit Machine and Pass Book printer without entering the branch, any time of the day, irrespective of whether the branch open or closed. The per transaction cost incurred on one customer in the physical branch is Rs.50 on an average, while using Value added service cost will about minimum of Rs.10 for similar transaction. This study would help establish the framework for value added services are utilized by the customers.

OBJECTIVES OF THE STUDY

The specific objectives of the study are:
1. To suggest measures for improving the usage of Value Added Service.
2. To examine the expectations and the level of satisfaction of the customers towards the Value Added service rendered by Public sector bank.
3. To identify the various services enjoyed by the customers.

RESEARCH METHODOLOGY AND RESEARCH DESIGN

SOURCES OF DATA

The current study is descriptive in nature. The study is focused on customer perception towards customer services with value added services of public sector banks in Erode town. In this study two types of data have been used. There are primary data and secondary data. Primary data is a type of information that is obtained directly from first-hand sources by means of surveys, observation or experimentation. It is data that has not been previously published and is derived from a new or original research study and collected at the source.

The study mainly based on primary data. There are several methods of collecting primary data like interview, observation, case studies and so on. The primary data was collected by the respondents from selected public sector banks in Erode town through a well-designed questionnaire.

Data has been collected secondary sources such as reports, books, journals, documents, magazines, periodicals, newspapers and website and other reference material available from various sources. The researcher approach various institutions like, RBI staff training college, Chennai, Institute for financial management and research (IFMR), Chennai, Madras University Library, Chennai, Bharathiyar University Library, Coimbatore, Bharathidasan University Library, Thiruchirapalli, Periyar University Library, Salem, The Lead Bank, Erode.

SAMPLE SELECTED FOR THE STUDY

The study is to determine the customer perception towards customer services with value added services of Public sector banks in Erode town. The sample Public sector banks have been selected on the basis of size and services provided by the bank, which are utilized by the customers. The primary data collected from the customers of selected Public sector banks, for this purpose to list the operating banks in Erode Town records were obtained from Indian Bank, The Lead Bank of Erode.

There are totally 15 Public sector banks in Erode town. Out of 15 banks only 10 banks have been selected for this study. The selected Public sector banks in Erode Town as shown in Table 1.

TABLE 1.1

S. No	Name of the Bank
1	Indian Bank
2	Bank of Baroda
3	Bank of India
4	Canara Bank
5	Central Bank of India
6	Indian overseas Bank
7	Punjab National Bank
8	State Bank of India
9	Syndicate Bank
10	Union Bank of India

From the 10 Public sector banks 700 respondents were selected for the study by adopting the method of convenient random sampling method.

SAMPLING TECHNIQUE

The Erode Town was chosen for the purpose of the study on the basis of convenient sampling. Respondents were chosen at random from the selected public sector banks.

In order to study customer perception towards customer services with value added services of public sector banks in Erode town. A Non random sampling technique of "convenient sampling" procedure is applied to collect various respondents from selected Public Sector Banks in Erode town. Out of 750 respondents only 700 respondents were selected. Hence, due to unfilled questionnaire, 50 respondents have been rejected and 700 respondents have been finally accepted for analysis and interpretation.

STATISTICAL TOOLS

The primary data collected from the respondents were analyzed and presented in the form of tables, Bar charts and Pie diagrams are used. The entire statistical test in this study was carried out at 5% and 1% level of significance. In this present study the following statistical tools are used.

➢ Factor analysis
➢ Regression Analysis

PERIOD OF STUDY

The period of study was three years from 2014 to 2016. The data were collected from 700 respondents by 10 selected Public sector banks in Erode town. The primary data was collected from the respondents from June 2014 – Dec 2016.

INTRODUCTION OF FACTOR ANALYSIS

Factor analysis is a multivariate analysis procedure that attempts to identify any underlying 'factors' that are responsible for the co-variation among group independent variables. The goals of a factor analysis are typically to reduce the number of variables used to explain a relationship or to determine which variables show a relationship. The variables must represent indicators of some common underlying dimension or concept such that they can be grouped together theoretically as well as mathematically.

The banking customers' value added towards services offered by the public sector banks in Erode district is discussed with the factor analysis multivariate technique. However, before applying factor analysis, the data were tested for its appropriateness. For this purpose, twenty six variables has been selected viz., Var 1 (ATM), Var 2 (Tele banking), Var 3 (Demat Account), Var 4 (Electronic Clearing System), Var 5 (Mobile Banking), Var 6 (Financial Advisor), Var 7 (Anywhere Banking), Var 8 (International Debit Card), Var 9 (Credit Card), Var 10 (Electronic Fund Transfer), Var 11 (Internet Banking), Var 12 (Inter – Bank fund transfer services), Var 13 (Intra – Bank fund transfer services), Var 14 (Electricity, Gas, DTH, Telephone, Water), Var 15 (Insurance Premium payments), Var 16 (Mutual fund), Var 17 (Government & Municipality Tax payment), Var 18 (Institution fee payment), Var 19 (Fees payment to School, College, Universities), Var 20 (Donation for Charity), Var 21 (Mobile recharge), Var 22 (New Pension system), Var 23 (PAN service Agency), Var 24 (Any Branch Banking), Var 25 (International ATM cum Shopping Card), Var 26 (Others). All the 26 factors were selected for factor analysis by using principle component extraction with an orthogonal (Varimax) rotation. The factor matrix is a matrix of loading and correlations between the variables and the factors.

TABLE 1: COMMUNALITIES

Variables	Initial	Extraction
ATM	1.000	0.597
Tele Banking	1.000	0.534
Demat account	1.000	0.531
Electronic clearing systems	1.000	0.654
Mobile Banking	1.000	0.539
Financial Advisor	1.000	0.536
Anywhere Banking	1.000	0.588
International Debit Card	1.000	0.533
Credit card	1.000	0.520
Electronic Fund Transfer	1.000	0.546
Internet Banking	1.000	0.546
Inter – Bank fund transfer services	1.000	0.610
Intra – Bank fund transfer services	1.000	0.623
Electricity, Gas, DTH, Telephone, Water	1.000	0.575
Insurance Premium payments	1.000	0.611
Mutual funds	1.000	0.686
Government & Municipality Tax payment	1.000	0.666
Institution fee payment	1.000	0.718
Fees payment to School, College, Universities	1.000	0.654
Donation for Charity	1.000	0.618
Mobile Recharge	1.000	0.635
New pension system	1.000	0.608
PAN service Agency	1.000	0.517
Any Branch Banking	1.000	0.530
International ATM cum Shopping Card	1.000	0.679
Others	1.000	0.571
Extraction Method: Principal Component Analysis		

The above Table 1 enumerates that the communalities of the selected 26 variables have good reliability and keenly checked that no one variable has low loading, i.e., less than 0.5. Thus finally, the 26 variables are selected for the factor analysis. The appropriateness of the data for the factor analysis is discussed in the following KMO and Bartletts' test.

TABLE 2: KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.953
Bartlett's Test of Sphericity	Approx. Chi-Square	1.059
	df	325
	Sig.	0.000

The Kaiser-Meyer-Oklin (KMO) Measure of Sampling Adequacy (MSA) and Bartletts test of Sphericity are applied to verify the adequacy or appropriateness of the data for factor analysis. In this study, the value of KMO for overall matrix is found to be good (0.953) and Bartletts test of Sphericity is highly significant ($p < 0.001$). The results thus indicate that the samples taken are appropriate to proceed with the factor analysis. Also, the Bartletts Test of Sphericity, the KMO Measure of Sampling Adequacy and Communality values of all the variables are observed.

Further, to define the factors clearly, it was decided to delete any variable that had loading below ± 0.50. With this criterion, a series of factor analysis was performed on the data. Following each analysis, items which did not meet the criteria were deleted from the analysis. After this preliminary step, factor analysis with principal component analysis as an extraction method was performed on the remaining items.

TABLE 3: TOTAL VARIANCE EXPLAINED

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.918	45.838	45.838	11.918	45.838	45.838	5.354	20.593	20.593
2	1.328	5.109	50.947	1.328	5.109	50.947	4.925	18.943	39.535
3	1.156	4.447	55.394	1.156	4.447	55.394	3.578	13.762	53.297
4	1.019	3.919	59.313	1.019	3.919	59.313	1.564	6.015	59.313
5	0.935	3.595	62.908						
6	0.902	3.470	66.378						
7	0.803	3.090	69.468						
8	0.760	2.925	72.392						
9	0.653	2.510	74.902						
10	0.598	2.298	77.201						
11	0.566	2.178	79.379						
12	0.517	1.989	81.368						
13	0.483	1.858	83.226						
14	0.463	1.782	85.008						
15	0.454	1.748	86.756						
16	0.439	1.690	88.446						
17	0.420	1.615	90.061						
18	0.380	1.463	91.524						
19	0.341	1.312	92.836						
20	0.337	1.294	94.131						
21	0.330	1.269	95.400						
22	0.286	1.098	96.498						
23	0.282	1.083	97.581						
24	0.254	0.978	98.559						
25	0.191	0.734	99.293						
26	0.184	0.707	100.000						
Extraction Method: Principal Component Analysis.									

TOTAL VARIANCE EXPLAINED

The Table 3 depicts the total variance explained with rotation. The Eigen values for the factors 1, 2, 3 and 4 are 11.918, 1.328, 1.156 and 1.019 respectively. Percentage of variance after the rotation for the factors 1, 2, 3 and 4 are 20.593, 18.943, 13.762 and 6.015 respectively. Cumulative percentage for the factors 1, 2, 3 and 4 after the rotation are 20.593, 39.535, 53.297 and 59.313 respectively. It indicates that the 4 factors extracted from the total of 26 variables have a cumulative percentage up to 59.313 per cent of the total variance.

ROTATED COMPONENT MATRIX

After obtaining the factor solutions, in which all the variables have a significant loading on a factor, the researcher attempted to assign meanings to the pattern of factor loadings. Variables with higher loadings are considered more important and have a greater influence on the name or the label selected to represent a factor. The researcher has already examined all the underlined variables for a particular factor and placed greater emphasis on those variables with higher loadings to assign a name or a label to a factor that accurately reflects the variables' loading on that factor. The names or labels are not derived or assigned by the factor analysis computer programme, rather, the label is intuitively developed by the factor analyst based on its appropriateness for representing the underlying dimension of a particular factor. All the four factors are given appropriate names on the basis of the variables represented in each case.

The Table 4 explains the rotated component matrix, in which the extracted factors are assigned a new name related together. Based on the fixing criteria, it is noted that no one loading variable are having the loading value less than 0.5 and so no variables are removed from this analysis. Further four factors have been taken for naming of new variables.

TABLE 4: ROTATED COMPONENT MATRIX

Variables	Component			
	F1	F2	F3	F4
ATM	0.007	-0.024	-0.046	**0.771**
Tele Banking	0.403	**0.569**	0.191	0.102
Demat account	0.214	**0.584**	0.379	-0.002
Electronic clearing systems	0.291	**0.748**	-0.010	0.100
Mobile Banking	0.377	**0.549**	0.210	0.226
Financial Advisor	0.499	**0.507**	0.173	0.018
Anywhere Banking	0.149	**0.731**	0.137	0.113
International Debit Card	0.370	0.371	0.330	**0.386**
Credit card	0.360	0.196	**0.457**	0.378
Electronic Fund Transfer	0.252	0.381	0.408	**0.413**
Internet Banking	0.219	0.366	**0.443**	0.410
Inter – Bank fund transfer services	0.252	**0.569**	0.446	0.154
Intra – Bank fund transfer services	0.254	**0.596**	0.451	0.015
Electricity, Gas, DTH, Telephone, Water	**0.608**	0.274	0.309	0.187
Insurance Premium payments	**0.626**	0.417	0.196	0.077
Mutual funds	**0.674**	0.415	0.243	-0.004
Government & Municipality Tax payment	**0.652**	0.440	0.215	0.017
Institution fee payment	**0.788**	0.182	0.217	0.126
Fees payment to School, College, Universities	**0.753**	0.167	0.191	0.151
Donation for Charity	**0.604**	0.366	0.340	-0.053
Mobile Recharge	**0.619**	0.153	0.413	0.240
New pension system	**0.497**	0.470	0.330	-0.174
PAN service Agency	0.313	0.334	**0.541**	0.123
Any Branch Banking	0.298	**0.509**	0.422	-0.065
International ATM cum Shopping Card	0.270	0.082	**0.759**	0.153
Others	0.239	0.203	**0.675**	-0.133
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 6 iterations.				

Factor 1 is the most important factor which explains 20.593 per cent of the variation. The variables Electricity, Gas, DTH, Telephone, Water (0.608), insurance premium payment (0.626), Mutual funds (0.674), Government & Municipality Tax payment (0.625), Institution fee payment (0.788), Fees payment to School, College, Universities (0.753), Donation for charity (0.604), Mobile recharge (0.619) and New pension system (0.497) shows highly inter-correlated with together. These statements reflect the satisfaction of the selected customers towards value added services offered by the public sector banks in the study area. Hence, the researcher names these segments of the consumers are satisfied with the **payment related value added services of the public sector banks**. The reliability of these nine variables is measured by using Cronbach's Alpha.

Factor 2 explains 18.943 per cent of the variation and consist of nine variables. The variables Tele Banking (0.569), Demat account (0.584), Electronic clearing system (0.748), Mobile Banking (0.549), Financial advisor (0.507), Anywhere Banking (0.731), Inter – Bank fund transfer services (0.569), Intra – Bank fund transfer services (0.596) and Any Branch Banking (0.509) shows highly inter-correlated with together. The nine variables reflect the satisfaction of the customers towards tele banking, electronic clearing system mobile banking services offered by the public sector banks in the study area. Hence the researcher names these segments of the consumers are satisfied through **technical related value added services** offered by the public sector banks in Erode district**.** The reliability of these nine variables is measured by using Cronbach's Alpha.

Factors 3 explain 13.762 per cent of the variation and consist of nine variables. The variables Credit card (0.457), Internet Banking (0.443), PAN service Agency (0.541), International ATM cum shopping card (0.759), Other (0.675) shows highly inter-correlated with together. The five variables reflect the satisfaction of the customers towards Internet banking, PAN service agency services offered by the public sector banks in the study area. Hence the researcher names these segments of the consumers are satisfied through **tangible value added services** offered by the public sector banks in Erode district**.** The reliability of these nine variables is measured by using Cronbach's Alpha.

Factor 4 is the most important factor which explains 6.015 per cent of the variation. The variables ATM (0.771), International Debit Card (0.386) and Electronic Fund Transfer (0.413) shows highly inter-correlated with together. These statements reflect the satisfaction of the selected customers towards value added services offered by the public sector banks in the study area. Hence, the researcher names these segments of the consumers are satisfied with the **online related value added services of the public sector banks**. The reliability of these nine variables is measured by using Cronbach's Alpha.

Banking customers' satisfaction towards value added services in the present study composes four factors namely Payment related value added services, Technical related value added service, Tangible value added services and online related value added services. The initial instrument which is having 26 variables was adjusted to account for four factors.

Table shows the total composition of each factor that provides information regarding the items that constituted these four factors with their factor loadings, eigen values and the variance explained by each factor. The four-factor solution accounted for 59.313 per cent of the explained variance. The four-factor solution might be suggested for the customers' satisfaction towards value added services offered by the public sector banks in the study area. All the dimensions are named on the basis of the contents of final items making up each of the four dimensions. The commonly used procedure of Varimax Orthogonal Rotation for the factors whose eigen values are greater than 1.0, is employed in the analysis. The factors so generated have the eigen values between 11.918, 1.328, 1.156 and 1.019. All the items are found highly loaded under these four factors, which indicate that the customers are highly satisfied with the value added services offered by the public sector banks in Erode district. The values of communalities (h^2) range from 0.517 to 0.718 for various factors. It means that the factor analysis extracted a good amount of variance in the variables.

REGRESSION ANALYSIS

To assess the overall effect of the instrument on customers' satisfaction towards value added services in Erode district and to determine the relative importance of the individual dimension of the generated scale, Multiple Regression analysis is performed. For regression analysis, the study adopts the use of a single-item direct measures of overall customers satisfaction in the study area is excellent at five-point Likert scale. The regression model considers the 2 dimensions as the independent variables and the overall influencing factors as the dependent variable. The adjusted R^2 of 0.981 (p=0.000) indicates that 98.1 per cent of variance in overall customers' satisfaction towards value added services is predicted. Further, the results also indicate that all the two variables tangible value added services and intangible value added services to be the significant predictors (p<0.001) of overall customers' satisfaction. Further, VIF values score from 1.168 to 1.197 indicates that multi-collinearity among the independent variables is not a problem.

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT   23

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

http://ijrcm.org.in/

TABLE NO. 5: EFFECT AND RELATIVE IMPORTANCE OF THE INDIVIDUAL DIMENSIONS OF CUSTOMERS' SATISFACTION – MULTIPLE REGRESSION ANALYSIS

No.	Factors	Standardized Coefficient β	t Value	'p' Value	VIF
	Constant	3.526			
1	Tangible value added services	2.170	13.758	0.000	1.542
2	Intangible value added services	3.011	12.456	0.000	1.423

The resulted equation is

Customers' Satisfaction

= 3.526

$(2.170 \times$ Tangible Value Added Services) +

$(3.011 \times$ Intangible Value Added Services)

It is found that, one unit increase of customers' satisfaction is predicted from 2.170 unit increases of Tangible Value Added Services and 3.011 unit increases of Intangible Value Added Services.

CONCLUSION

It could be found from the factor analysis that the selected 29 factors related to customers' satisfaction towards value added services offered by the public sector banks into two major factors representing Tangible Value Added Services and Intangible Value Added Services and noticed that customers' satisfaction towards value added services is predicted from 2.170 unit increases of Tangible Value Added Services and 3.011 unit increases of Intangible Value Added Services and these two factors are having significant impact on the overall customers satisfaction towards value added services provided by the public sector banks in Erode district. Further, among the two factors, intangible value added services is one of the major satisfaction factor than the tangible value added services among the selected banking customers in Erode district.

REFERENCES

1. A.R.Sudhamani & Dr.N.Kalyanaraman,(July 2013) " Literature Review on Customer Perception on Service Quality in Banking Sector, Indian Journal of applied Research, Volume :3, Issue : 7, pp. 359 - 361.
2. Nirangan Pani & Sarbervar Mohapatra, "Customer Relations Management (Banking perspective)" –Mahamaya publishing house, New Delhi, pp128.
3. R.Seranmadevi & M.G.Saravanaraj, (2012), "Technology @ Indian Banking Sector", European Journal of Social Sciences, Volume. 29, No. 4, pp 472 – 488.
4. The Asian Banker, "Special reports on retail distribution", June-July, 2000. pp.17-19
5. The FICCI – Pinkerton Indian risk survey 2012 – the journal of the Indian Institute of Banking and finance, volume – 84, no.1 January to march 2013, pp8.

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT   24

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

http://ijrcm.org.in/

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT   I

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

http://ijrcm.org.in/