

A STUDY ON CUSTOMER PERCEPTION TOWARDS THE ROLE OF INDIA POST PAYMENTS BANK IN FINANCIAL INCLUSION

1. Dr. J. Shyla

Research supervisor

PG & Research Department of Commerce

Malankara Catholic College, Mariagiri, Kaliakkavilai 629153.

Affiliated to Manonmaniam Sundaranar University, Abhishekapatti, Tirunelveli

627012, Tamil Nadu. Email id: drshylastalin@gmail.com

2. Kochu Tresya M

PhD Research Scholar Commerce (Full Time) Reg No: 22113081012001

PG & Research Department of Commerce, Malankara Catholic College, Mariagiri, Kaliakkavilai
629153.

Affiliated to Manonmaniam Sundaranar University, Abhishekapatti, Tirunelveli 627012,

Tamil Nadu. Email id: kochumariamarshal6@gmail.com

ABSTRACT

In 2014, the RBI introduced two new categories of banks in the Indian financial system, namely payments banks and small banks. The main objective of introducing these banks is to increase financial inclusion, to extend financial products and services to untapped rural areas. India post payments bank is a new kind of payment bank recommended with the express purpose of extending the reach of banking to the vast majority of the unbanked and unbanked segments of the population. This study presents the framework for How this India Post Payments Bank will be a remarkable step towards providing financial services to customers, especially migrant workers and those from lower income households, and also bring them into the second wave of financial inclusion after the first wave of Pradhan Mantri Jan Dhan Yojana.

Keywords: RBI, Payment Bank, Financial Inclusion, Indian Post Payments Bank

INTRODUCTION

Financial inclusion is the process of including people and organizations in the formal financial system and ensuring their access to a range of financial services that are suitable for their needs. The Reserve Bank of India and the Government of India have taken many initiatives to promote finance inclusion and deepen access to financial services in India. A special scope is dedicated to people in rural areas, low-income groups, migrant workers, and small businesses. Setting up of payment banks is the latest initiative taken by RBI and the Government of India. In August 2015, India Post received a payment bank license from the Reserve Bank of India. While many other banks and financial institutions are working on the same theme, the Indian Post Payments Bank effortlessly accesses the adoption of new-age banking through the delivery by postmen and Grameen Dak sevaks, savings agents, and other

franchisees who will take banking to doorsteps. Indian Post Payments Bank thus, aspires to be the most accessible, affordable, and trusted bank for the common man with the motto “No customer is too small, no transaction too insignificant, and no deposit too little”.

STATEMENT OF THE PROBLEM

Indian Post Payments Bank is a large network that has been modernized and computerized in recent years to enhance its performance by implementing various financial and banking services in addition to its traditional postal services. In the competitive situation, Indian Post Payments Bank can be successful in trying to fulfill the financial needs and facilities of its customers to a large extent. Each customer's individual as well as group financial needs differ. However, various useful schemes are available in India post payments banks, how far their needs are being met and how their customers' perception and adoption towards financial inclusion vary need to be studied to have better knowledge and improve its facilities. So, here the study has attempted to analyze the views, opinions, and perceptions of the customers toward the role of India post payments banks in financial inclusion.

SCOPE THE STUDY

The scope of the present study is confined to the customer perception towards the role of India post payments banks in financial inclusion in the Kollam district. The study intended to examine the customer's satisfaction with the Excellence to Catering banking and Financial needs by India Post payments bank, who are utilizing various Banking and financial services, and to analyze their actual requirements and needs and how far these are fulfilled by India Post payments bank.

REVIEW OF LITERATURE

- **Sandesh D'Souza (2018)** in his paper entitled “Payment Bank: A Revolutionary Step of Indian Post Payment Bank towards Financial Inclusion” has shown that payments banks will increase financial inclusion by providing small savings accounts and payments/remittance services to migrant labourers, low-income households, small businesses and other unorganized sector entities.
- **Joseph & Reena (2019)** In the analysis of the IPPB's contribution to financial inclusion, researcher points out some of the IIPB's major difficulties, including those relating to their long-term effectiveness and efficiency. He advises the government to continue working on financial inclusion despite a few notable successes and to look into creative new approaches.
- **Sahu & Minj (2021)** Study about the challenges faced by India post payment bank. He said that IIPB is confronted with challenges including a lack of internet literacy, a lack of understanding of mobile phone services, and an improper revenue model. He suggests that IPPB make use of its financial literacy program and explore innovative ways to increase its revenue.
- **Minj & Pandey (2021)** The paper attempted to examine India Post and India Post's payment role in financial inclusion. The findings of the study revealed that India Post plays a very important role in financial inclusion by adopting recent reforms and technology. The study also said that IPPB is transforming postal services with a combination of postal and banking services.

- **Mondal (2022)** The study analyzed the IPPB's major banking data to see how it affected financial inclusion. According to the study's findings, IPPB has a good impact on financial inclusion with its extensive staff network, AePS, and door-to-door banking services. The study concludes that IPPB will encourage digital financial inclusion and aid in the transition away from a cash-based economy.

OBJECTIVES OF THE STUDY

- To examine the customer's perception towards the role of India post payments bank in financial inclusion.
- To examine the customer's satisfaction with the Excellence in catering Banking and Financial needs by India Post payments bank in the Kollam district

RESEARCH METHODOLOGY

The study has used both primary and secondary data. The primary data has been collected from 150 customers of the major India post payments bank branches in the Kollam district. The secondary data has been collected from different journals, newspapers, websites, government reports, RBI reports, and IPPB annual reports.

RESULTS AND DISCUSSION

In order to find out the customer's perception towards the role of India Post Payments Bank in implementing financial inclusion, the customer's choice of their perception is analyzed with the help of the Likert Five Point Scaling Technique and it is presented in the table below.

Sl. No	Opinion	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	Scores	Rank
1	Type of Account provided	80 400	20 80	15 45	25 50	10 10	150 585	V
2	Third-party services	110 550	40 160	0 0	0 0	0 0	150 710	II
3	Banking products & Financial services	120 600	30 120	0 0	0 0	0 0	150 720	I
4	Remittances & fund transfer Services	115 575	25 100	10 30	0 0	0 0	150 705	III
5	Interest on deposit	80 400	20 80	50 150	0 0	0 0	150 630	IV

Source: Primary data

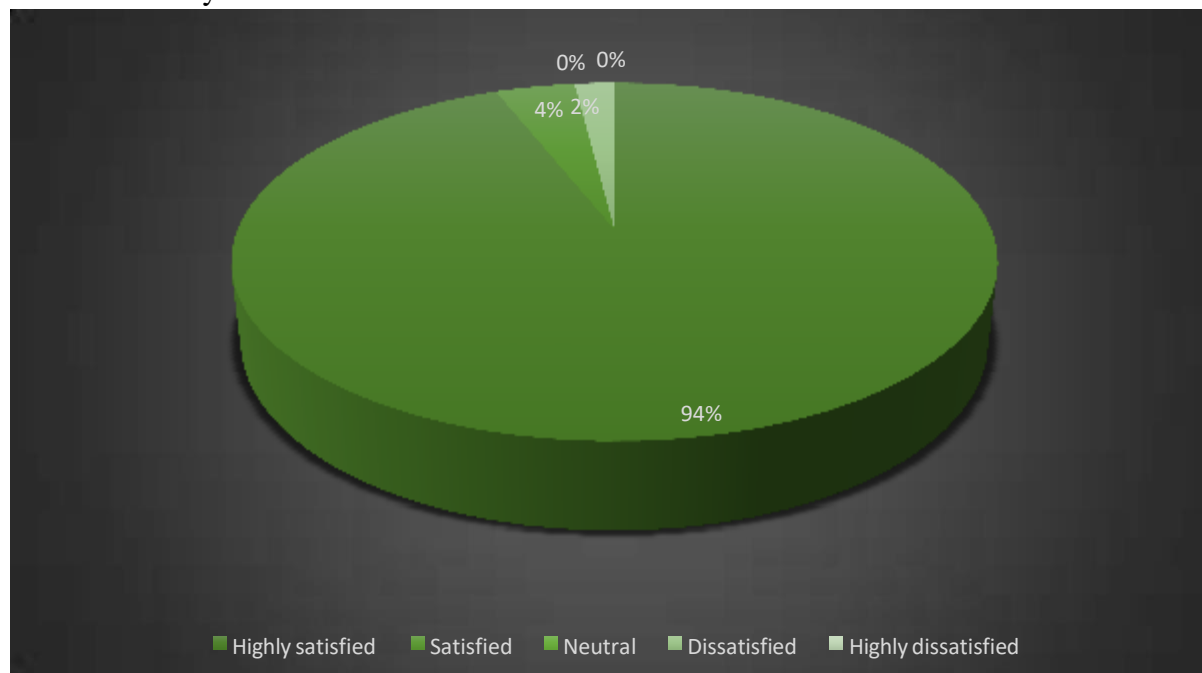
Interpretation

The above table shows the opinion regarding the customer's perception towards the role of India Post Payments Bank in implementing financial inclusion. Likert's five-point scaling analysis is used and Banking products & Financial services rank first with a mean score of 720, Third-party services rank second with a 710 mean score, and Type of Account provided ranks last with a mean score of 585.

The following Likert Five Point Scaling table shows the customer's satisfaction with the Excellence to catering Banking and Financial needs by India Post payments bank in the Kollam district

Sl. No	Opinion	No. Of respondents	Percentage
1	Highly satisfied	141	94
2	Satisfied	6	4
3	Neutral	0	0
4	Dissatisfied	3	2
5	Highly dissatisfied	0	0
	Total	150	100

Source: Primary data



Interpretation

From the above-mentioned table and figure, only 94% of the respondents were highly satisfied that India Post payments banks cater to their banking and financial needs, but 2% of the respondents were dissatisfied that India Post payments bank do not cater to all their banking and financial needs.

FINDINGS

- ✓ Likert's five-point scaling analysis shows the opinion regarding the customer's perception towards the role of India Post Payments Bank in implementing financial inclusion, the respondents opined that Banking products & Financial services rank first with a mean score of 720.
- ✓ 94% of the respondents were highly satisfied that India Post payments banks cater to their banking and financial needs.

SUGGESTIONS

To extend customer preference over and above various banks, India Post payments bank has to adopt strong marketing strategies like advertising campaigns to understand customers' requirements, expectations, and beliefs. A detailed study of various banking services available to customers at the fingertip and their expectations towards banking products and services are essential to improve the customer perception toward the role of India Post Payments Bank in financial inclusion.

CONCLUSION

Postal services were transformed into financial services through an effort by India Post Payments Bank, wherein postmen now arrive at customers' doorsteps not just with letters and packages but also with devices that can deliver a variety of financial services. India Post Payment Bank has emerged as a key player in driving financial inclusion. India post-payment banks play a significant role in the financial service sector and digital financial services. It shows a remarkable growth in customer base, total deposits, and digital transactions. Its extensive reach, affordable services, digital solutions, and collaborative approach have opened doors to the formal financial system for millions of underserved individuals. India Post Payments Bank contributes significantly to developing a more equitable and financially empowered society by consistently broadening its offers and adjusting to the demands of its clients.

REFERENCES

- www.ipponline.com
- www.rbi.org.in
- www.livemint.com
- www.indiapost.gov.in

- Dr. Nachiket Mor, "Committee on Comprehensive Financial Services for Small Businesses and Low-Income Households," Reserve Bank Of India, Govt Report, 2013'

- Joseph, T., & Reena. (2019, February). A Study on India Post Payments Bank as a Tool to Drive Financial Inclusion in India. International Journal of Research in Advent Technology (IJRAT) Special Issue.
- M., B. (2018). Initiative Of Post Payment Bank By India Post-Highlights and Challenges. International Journal of Research in Management & Social Science, 6 (1), January-March.
- Minj, M., & Pandey, P. (2021). Role Of India Post Payment Bank In Financial Inclusion. Kala Sarovar, 24 (3 (B)), 66-72.
- Mondal, D. (2022). Impact of Payment Bank in Financial Inclusion: A Case Study of India. Management Journal for Advanced Research, 2 (6), 24-31.
- Patel, H. v., & Shah, D. K. (2022). Payment Bank: Indian Post Payment Bank towards financial inclusion through Digitalization. RESEARCH HUB International Multidisciplinary Research Journal, 9 (3), 30-38.
- Sahu, G., & Minj, M. (2021). A study On India Post Payment Bank. International Journal of Advanced Research in Commerce, Management & Social Science (IJARCMSS), 4 (1), 192-194.
- Sandesh D'Souza (2018), "Payment Bank: A Revolutionary Step of Indian Post Payment Bank towards financial inclusion", Journal of Emerging Technologies and Innovative Research (JETIR), October 2018, Vol 5, Issue 10, (ISSN-2349-5162), pp 165-174.