

A Study of Investor Attitude Towards Selected Scheduled Commercial Banks in Bangalore

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Abstract: This is a study that would analyze the attitude of investors towards selected scheduled commercial banks with respect to Bangalore City. The researcher aimed to assess visitor perceptions of Bangalore's scheduled commercial banks. The researcher investigated both primary and secondary data to do this. To collect primary data, a questionnaire was used. Secondary information was acquired from bank websites. The primary data was obtained from 150 commercial bank customers in Bangalore using a convenience sample method. The respondents were drawn from ICICI Bank, HDFC Bank, Canara Bank, Karnataka Bank, and Corporation Bank. A total of 24 questioners were distributed to each bank. This research is being carried out primarily to establish investor perceptions of certain scheduled commercial banks. According to the study's findings, the majority of respondents opened bank accounts in order to obtain loans, receive compensation from their jobs, and for purposes other than investing.

Keywords: Banks, Commercial banks, Customers, Investors, Markets.

1. Introduction

A commercial bank is both a financial intermediary and a bank. Business banking is another name for commercial banking. It is a bank that offers checking, savings, and money market accounts as well as accepting time deposits. Commercial banks in India are often divided into two types: Scheduled Commercial Banks and Unscheduled Commercial Banks. The Scheduled Commercial Banks are included in the Reserve Bank of India Act, 1934, under the Second Schedule.

Commercial banks have a monopoly on the money market. They are, in fact, the most important component of any country's banking organization. They are India's oldest, largest, and fastest expanding financial organizations. They are for-profit institutions that deal with money and credit. Commercial banks play an important part in the country's growth and development because of their contemporary organization and operation, large finances, and extensive network throughout the country. Thus, they function as a reservoir into which household savings and idle surplus money flow, and from which interest-bearing loans are made to businessmen and others who require them for investment or productive purposes.

2. Review of Literature

According to the literature, considerable research on investor

attitudes has been conducted by attitudes scientists such as Weber, Shiller, and Shefrin. Shiller. The stock market is governed by market information, which has a direct impact on the attitudes of investors. Several studies have revealed the association between demographics such as Gender, Age, and Risk Tolerance levels of Individuals of this Age Relationship. The risk tolerance level has gotten a lot of attention.

Horvath and Zukerman proposed that a person's biological, demographic, and socioeconomic traits, as well as his or her psychological makeup, influence risk tolerance.

Malkiel proposed that a person's risk tolerance is affected by his or her home environment, lifecycle stage, and subjective considerations. Mitra highlighted risk tolerance parameters such as the number of years till retirement, information sophistication, income, and net worth.

Wallach and Kogan were maybe the first to investigate the link between risk tolerance and age. Cohn and Llewellyn discovered that the risky asset portion of the portfolio was positively connected with income and that age was inversely correlated with marital status. Morin and Suarez discovered evidence of rising risk aversion with age, despite the fact that the wealthy appear to become less risk averse as their income increases.

While identifying the regular patterns of investment attitudes displayed by individuals, Lewellen discovered that age and expressed risk taking propensities were inversely connected with large alterations occurring at age 55 and beyond. Except for a few exceptions, Indian studies on individual investors were primarily limited to studies on share ownership. The RBI's survey of share ownership and L.C. Gupta's investigation of the ownership pattern of industrial shares in India were two steps in this direction.

The NCAER's studies have identified frequent forms of saving by individuals and the components of commercial banks' financial investments. Additionally, he identified the characteristics of investors based on their investment size. He found that as an investor moves up through various phases of life, the proportion of risky assets to total financial investments decreases. Furthermore, lifestyle characteristics based on investors' attitudes have been identified. The above discussion presents a detailed picture of the various aspects of investor attitudes studies conducted over the years. The findings of

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many of these studies are verified and updated in the present study.

3. Statement of the Problem

Commercial banks in emerging nations such as India play an important role in economic development. Commercial banks, on the other hand, are plagued by serious issues such as haste and a lack of resources. Coordination in Branch Expansion, Difficulties in Deposit Mobilization, and Restriction in Branch Expansion Deposit Mobilization, Slow Progress in Lending Activity, Staff Urbanization, and Rigidities in Procedural Procedures. As a result, the study on investors' attitudes regarding scheduled commercials. The researcher is working on banks.

4. Scope of the Study

The study examines investors' sentiments toward scheduled commercial banks as a whole. The commercial banks have a lot of branches located in various locations; however, the study is limited to scheduled commercial banks located in Bangalore city.

5. Limitations

- Customer response could be skewed.
- The time period was limited.

6. Research Methodology

The researcher attempted to analyze visitor views regarding scheduled commercial banks in Bangalore. To accomplish this, the researcher examined both primary and secondary data. A questionnaire was used to obtain primary data. Secondary data were gathered from bank websites.

- *Sample design:* The primary data will be collected from 150 commercial bank customers in Bangalore; the respondents were chosen from ICICI Bank, HDFC Bank, Canara Bank, Karnataka Bank, and Corporation Bank using the convenience sample method. Each bank was given a total of 24 questioners.
- *Analytical Tools:* The acquired data were evaluated using statistical tools such as mean, standard deviation, and factor analyses.

7. The Objective of the Study

- To study the attitude of investors towards scheduled commercial banks.
- To analyze the factors influencing the investment decisions of depositories.

8. Data Analysis

Table 1

Factors	RANKS							Total
	1	2	3	4	5	6	7	
Employee	15	27	21	22	18	12	5	120
Family members	25	15	34	12	15	7	12	120
Friends	21	25	23	17	14	15	5	120
Advertisement of banks	34	15	21	16	23	5	6	120
Service of banking	22	18	9	10	21	15	25	120
Bank employees	28	21	15	12	18	10	16	120
To avail benefits	18	23	28	12	15	17	7	120

Table 2

Factors	Mean	Std. Deviation	Variance
Employer	3.4750	1.69509	2.873
Family Members	3.3917	1.89779	3.602
Friends	3.3583	1.79071	3.207
Advertisement banks	3.1250	1.79431	3.220
Service of banking	4.1250	2.21364	4.900
Bank employees	3.5417	2.10000	4.435
To avail benefits	3.5500	1.88693	3.561

Interpretation:

The table shows the selected scheduled commercial banks customers. Ranks of factors motivated to open a bank account. The above table shows that factors motivated to open a bank account to selected commercial banks in Bangalore city. The collected response was analyzed with the help of the statistical tool factor analysis. The results show that all the customers were highly satisfied with all the services provided by the banks in Bangalore city, It is proved through the results shown above: The people were more motivated to service banking, the selected commercial banks provided more satisfaction with service or banking, the investor gave 1st Rank is service of banking and 2nd Rank is to avail benefits, 3rd Rank in bank employees, 4th Rank is employer, 5th rank in friends, 6th Rank in family members but more people less motivated to the advertisement of banking services. (Source: Primary Data)

Table 3

Banking service	Highly Dissatisfaction	Dissatisfaction	Neutral	Satisfied	Highly Satisfied	Total
Customer services	5	45	54	10	6	120
Online banking	15	58	34	8	5	120
Mobile Banking	8	62	28	15	7	120
Loan service	12	52	20	22	14	120
The interest for deposits	15	35	46	18	6	120
Loan rate	14	25	64	12	5	120
Period taken to avail loan	22	26	46	20	6	120
Loan procedure	11	32	44	19	14	120
Interaction	16	45	52	4	3	120
Maintenance of records	13	47	43	15	2	120
ATM service	5	42	46	20	7	120
Timely service	8	37	54	15	6	120
Branches location	6	27	62	15	10	120
Extension of services	14	32	54	13	7	120
Transaction safety	8	42	52	14	4	120
Personal attention	14	53	32	15	6	120

The table above shows the selected scheduled commercial banks' customers' satisfaction towards banking service. It should include 16 banking services. (Source: Primary Data)

Table 4

Factors	Component
	1
Customer Services	0.953
Online Services	0.940
Mobile Services	0.937
Loan Services	0.937
Interest rate for deposited	0.975
Loan rate	0.941
Period taken to avail loan	0.957
Loan procedure	0.959
Interaction	0.925
Maintenance of records	0.955
ATM service	0.959
Timely service	0.967
Branches location	0.936
Extension of services	0.972
Transaction safety	0.967
Personal attention	0.961

Interpretation:

The above table shows explain the customer's satisfaction towards various services rendered by banking sectors in Bangalore city. The collected response was analyzed with the help of the statistical tool factor analysis. The results show that all the customers are highly satisfied with all the services provided by the banks in Bangalore city. It is proved through the results shown above. Among all the factors customers are highly satisfied with the Rate for the deposit. Extension of service and timely service of the bankers. It shows that all the services offered by the banking sector in Bangalore city are accepted by the customers.

9. Findings

- The majority of those who have invested in scheduled commercial banks are between the ages of 15 and 30.
- With a rate of 55.83 percent, men represent the majority of investors.
- With a percentage of 38.33 percent, graduates outnumber those with other educational qualifications. The majority of respondents are employed. > The majority of respondents (54.17 percent) are unmarried. With a percentage of 45.83 percent, the majority of respondents have an income between \$10,000 to \$25,000.
- With a rate of 38.33 percent, the majority of investors are

affiliated with one to three years.

- With a 51.67 percent share, savings account holders are the majority in scheduled commercial banks. The majority of respondents have monthly transactions ranging from 10001 to 25000.
- The collected responses were examined using the statistical tool factor analysis. The 120 respondents ranked the variables that motivated them to open a bank account. Is Rank is banking service and 2' Rank is to avail benefits, 3rd Rank is bank employees, 4' Rank is employer, 5" Rank is friends, and 6 Rank is family members, but more people are less motivated by banking service advertisement. The majority of scheduled commercial bank investors expressed satisfaction with banking services. The collected responses were examined using the statistical tool factor analysis. According to the findings, all of the clients in Bangalore city are extremely delighted with all of the services offered by the banks. It is demonstrated by the above-mentioned results.
- Customers are most satisfied with the deposit rate out of all the considerations.
- Bankers' service extends and is delivered on time. It demonstrates that the customer accepts all of the services provided by the banking sector in Bangalore.

10. Recommendation

- In the event of a client query, a proper and prompt response is required.
- The number of branches should be increased.
- The loan procedure must be simplified.
- Customers must be provided individual attention.

11. Conclusion

This study is being conducted primarily to ascertain investor views about certain scheduled commercial banks. According to the findings of the study, the majority of respondents opened bank accounts to obtain loans, receive pay from their work, and for other goals other than investing.

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