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The study of an Impact of Individuals' Income on the Perception about Financial, Retail and Premium Services by Indian Post

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Abstract: *For more than 150 years, the Department of Posts (DoP) has been the backbone of the country's communication and has played a crucial role in the country's socio-economic development. It touches the lives of Indian citizens in many ways: delivering mails, accepting deposits under Small Savings Schemes, providing life insurance cover under Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) and providing retail services like bill collection, sale of forms, etc. The DoP also acts as an agent for Government of India in discharging other services for citizens such as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) wage disbursement and old age pension payments. With 1,55,015 Post Offices, the DoP has the most widely distributed postal network in the world. In this paper, it is an noble attempt to understand and analyse the impact of individuals' income on perception towards various postal services.*

Keywords: *Department of post, Post office, postal life Insurance, Postal services.*

I. INTRODUCTION

A post office is a customer service facility forming part of a national postal system. Post offices offer mail-related services such as acceptance of letters and parcels; provision of post office boxes; and sale of postage stamps, packaging, and stationery. In addition, many post offices offer additional services: providing and accepting government forms (such as passport applications), processing government services and fees (such as road tax), and banking services (such as savings accounts and money orders). The chief administrator of a post office is a postmaster.

Prior to the advent of postal and ZIP codes, postal systems would route items to a specific post office for receipt or delivery. In 19th-century America, this often led to smaller communities being renamed after their post offices, particularly after the Post Office Department ceased to permit duplicate station names within a state.

There is evidence of corps of royal couriers disseminating the decrees of the Egyptian pharaohs as early as 2,400 BC and the service may greatly precede even that date. Similarly, organized systems of post houses providing swift mounted courier service seems quite ancient, although sources vary as to precisely who initiated the practice. Certainly, by the time of the Persian Empire, a system of Chapar Khaneh existed along the Royal Road.

The 2nd-Century BC Mauryan and Han dynasties established similar systems in India and China. Suetonius credited Augustus with regularizing the Roman network, the *cursus publicus*. Local officials were obliged to provide couriers who would be responsible for their message's entire course. Locally maintained post houses (Latin: *stationes*) privately owned rest houses (Latin: *mansiones*) were obliged or honored to care for them along their way. Diocletian later established two parallel systems: one providing fresh horses or mules for urgent correspondence and another providing sturdy oxen for bulk shipments.

Procopius, though not unbiased, records that this system remained largely intact was dismantled in the surviving empire by Justinian in the 6th Century.

The Princely House of Thurn and Taxis initiated regular mail service from Brussels in the 16th century, directing the Imperial Post of the Holy Roman Empire. The British Postal Museum claims that the oldest functioning post office in the world is on High Street in Sanquhar, Scotland. This post office has functioned continuously since 1712, an era in which horses and stage coaches were used to carry mail.

In parts of Europe, special postal censorship offices existed to intercept and censor mail. In France, such offices were known as cabinets noirs. India possesses the largest postal network in the world with 155,000 post offices spread all over the country as on March 31, 2001, of which 89 per cent are in the rural sector. Post offices in India play a vital role in the rural areas. They connect these rural areas with the rest of the country and also provide banking facilities in the absence of banks in the rural areas.

The modern postal service in India is more than 150 years old. In 1854, the Post Office in the Province of Sindh, (then in British India), made postal history, when India became the first country to issue postage stamps. In October 1854, all the post offices of Indian sub continent came under centralized control. In the same year Railway Mail Service was established and India had a network of 701 post offices across the continent. In 1911, India achieved another "first" when a biplane from Allahabad to Naini flew with 6500 pieces of mail. The flight was the first official Air Mail in the world.

After independence, the Indian government broadened the vision of the postal system to reach the entire population of the country. Today Indian postal system has a reach that ranges from arid deserts of Rajasthan and Kutch to the icy heights of Laddakh. India has the highest post office in the world in Sikkim at a height of 15,500 feet (postal code - 172114). Indian postal service provide many facilities like - general or registered mail, parcel post, speed post, express post, e post and special courier service known as EMS-speed post. They also offer a number of post office savings schemes like National Savings Certificate, Kisan Vikas Patra, Recurring Deposits and Term Deposits.

Service Provided by Indian Post

Financial Services	Retail Services	Premium Services
Saving bank account	Telephone Revenue collection	Speed Post
Monthly Income Schemes	E Ticketing for RTC, railways and airlines	Business Post
Time Deposit	Sale of UPSC, University applications	Express parcel post
National Saving Certificates	Sale of passport application forms	Media post
Recurring deposit account	Sale of Gold coins, forex services	Greeting post
Public Provident Fund	Sale of SIM and recharge coupons	Logistics post
Senior Citizen saving schemes	Sale of India telephone cards	-----
Postal Life Insurances	-----	-----

II. REVIEW OF LITERATURE

Dr.K.Rajeswari, Mrs. K.J.Sunmista (December 2011) Perceptions Of Customers On Service Quality Of Post Offices -A Comparitive Study IJEMR,Vol 1 Issue 7 - Online - ISSN 2249 – 2585 - Print - ISSN 2249 – 8672 The article based on the research study compares the customers' perceptions of service quality of post offices in Virudhunagar district and Madurai district. Indian postal service provides many services like general or registered mail, parcel post, speed post, express post, e-post and special courier service known as EMSspeed post. They also offer a number of post office savings schemes like National Savings Certificate, Kisan Vikas Patra, Recurring Deposits and Term Deposits. In view of heavy competition from private couriers, alternative modes of communication, measurement and management of service quality has become the motto of this research study. The service quality of post offices is measured using SERVPERF dimensions and service sector based measures. The result of the study shows that the customers of Virudhunagar district are more satisfied with the postal services than that of the customers of Madurai district.

Services are increasingly attracting attention from academicians as well as practitioners. The proliferation of services not only provides business opportunities, but also poses high level competitive threats to service marketers. In fact, many researchers and marketers have focused their attention on customer evaluations of services to find ways to improve service quality. However, despite the considerable amount of research under the rubric of service quality that has accumulated over the years, only few studies have examined customer perceptions of service quality in postal services in an international setting and still less in the Indian context. This issue is of paramount concern to service marketers because the perceived service quality often reflects customers' levels of satisfaction and intention to repatronize the services. If service quality perceptions are standardized, service departments may choose to control costs by standardizing operations and marketing strategies. Service quality is a function of customers' expectations and perceptions about the service. This study compares customers of Virudhunagar district and Madurai district postal service in terms of their service quality perceptions and repatronizing intentions

Kore Shashikant D. and Dr. R.B. Teli, Investment Behaviour Of Postal Customers Towards Post Office Saving Bank Schemes (Posb): A Case Study Of Kolhapur District (M.S.) International Multidisciplinary e journal,ISSN:2277-4262, SJIF 4.081: Since more than 150 years before, Indian Post has played a vital role to connect the whole of the country and has provided banking and financial services along with many other services and essential facilities to the Indian people. The role of Department of Post (DoP) has worked as the backbone of the country's communication and financial inclusion. But over a time, a role of DoP has changed and it has grown to become one of the best avenues to channel investment from even the wealthy investor and use them fruitfully in nation building activities. There are several types of POSB schemes that cater to the differing needs of various classes of people in which they have an option to invest with very small amount. Most of the Postal Investment is exempted from Income Tax under section 80C of the Income Tax Act, 1961. The interest income is also exempted from tax under section 10 of Income Tax Act, 1961 in some cases. This has enabled investors to compete successfully with other avenues of investment available to them like commercial and co-operative banks, non-banking financial institutions, public sector companies etc. It is necessary for institutions offering investment instruments to study the opinion and perception of customers towards various investment instruments because it has influenced the saving behavior of investors since decade. This research paper has made an attempt to know the opinion of postal customers towards POSB schemes in Kolhapur district of Maharashtra state

Dr. Charusheela Birajdar, Prof. Akshata Joshi ((2016). A Review Of Customer Satisfaction For Indian Postal Services. International Journal of Marketing and Human Resource Management (IJMHRM). Volume 7, Issue 3, pp. 49–59, Article ID: IJMHRM_07_03_006: The customer or client is an asset to every organization which is to be maintained carefully. Today's marketing is a customer oriented. Hence the customer is treated as profit centre of the organization. All the employees including management must be involved in providing quality services to the customers. Providing the quality services is the key for satisfying and retaining the customers. The concept of quality is supposed to be antecedent of customer satisfaction. Customer satisfaction is the most widely used tool for measuring the performance of the business. Customer satisfaction is the judgement made by the customer after receiving the services. The complexity of the concept of customer satisfaction is motivating researchers and professionals since so many years for innovating new ideas to enhance customer satisfaction. The private sector companies as well as government owned organizations are keen about satisfying the needs of their customers. Indian Post office is one of the oldest and renowned governments owned institution with strong customer base. It is having a brand image and trust in the minds of customers. Due to globalisation India Post is facing the acute competition from other strong competitors. The conscious efforts need to be made by India post for improving the overall quality of services. The department of post is trying to make necessary improvements in service delivery process

Dr. K.Senthilkumar, Dr. Desti Kannaiah (2014). Investors' Attitude towards Savings in Post Office. Research Journal of Finance and Accounting. ISSN 2222-1697 (Paper) ISSN 2222-2847 (Online). Vol.5, No.15 : There are a lot of

investment choices and one must select the most appropriate one. The person dealing with the planning needs to know all the various investment choices and how these can be chosen for the purpose of attaining the overall objectives. The details of making the investment along with the various ways in which the investment has to be maintained and managed. The developing countries like India face the enormous task of finding sufficient capital in their development efforts. Most of these countries find it difficult to get out of the vicious circle of poverty of the low income group, low savings, low investment, low employment etc. With high capital output ratio, India needs very high rates of investments to make a leap forward in her efforts of attaining high levels of growth. Since the beginning of planning, the emphasis has been on investment as the primary instruments of economic growth and increase in national income. In order to have production as per target, investment is considered the crucial determinant and capital formation is to be supported by appropriate volume of saving Government Savings Bank was started in the three Presidency towns of Calcutta, Madras and Bombay in 1833, 1834 and 1835 respectively. In 1860, the Secretary of state for India initiated steps for empowering the post offices to undertake savings bank operations in India, similar to that of the U.K. But the Government was under organized and not mature enough to take upon such banking business. Some changes took place subsequently in the management of Savings Bank. Between 1863 and 1865, the management of the Savings Bank was transferred from Government Treasuries to the Presidency Bank, and each Presidency Bank framed its management. The deposit allowed was Rs. 500 in a year up to a maximum of Rs. 3000 and the interest rate was fixed at 3.75 percent per annum. In practice, the SB counters were kept open twice in a week. Financial services of the Post Office form a profitable business today, although they were started as a supplementary income generating operation. Post offices render a plethora of agency services in addition to their basic duty of mail delivery. These services include savings Bank, Money Order, Postal Order and Postal Life Insurance. This helps the postal Department produce income to the extent of nearly 45% of its budget revenue. Savings bank work was undertaken by post offices on 1 April 1882 and the entire banking operations were kept under the supervision and management of postmasters. In Tamil Nadu, the introduction of POSB was confined to small places. The object of establishing SB was to extend banking facilities to millions of poor and middle class people living in the farthest corners of the country and to accumulate and invest their savings, and to use the same for the economic development of the country and also to meet the administrative needs and requirements of the Government. It also aimed at encouraging thrift. India Post is committed to provide basic postal facilities throughout the country at an affordable price. A network of 1.55 lakh post offices in the country, the largest in the world, of which more than 1.39 lakh are in the rural areas, is indicative of this commitment

III. RESEARCH METHODOLOGY OF THE STUDY

The study is based on critical evaluation and analysis of basically Primary Data. The primary sources include customers. A study is undertaken in the sampled regions to see its impact for which a detailed questionnaire is prepared to collect relevant information from the primary source for the guidance of the researchers. With the help of the questionnaire, detailed discussions were made with the certain sources of primary data to understand their views, thinking and attitude which would help to give the researchers useful recommendations, if any. The questionnaire is processed with the help of statistical tools like tabulations, grouping, percentages, averages, testing of hypothesis etc. Questionnaire is used mainly to analyze the opinion of the students

IV. OBJECTIVE OF THE STUDY

1. To study the Financial, Retail and Premium services by Indian Post.
2. To find out perception about the Financial, Retail and Premium services among customers.
3. To search the impact of individuals' income on perception about the Financial, Retail and Premium services.

V. HYPOTHESIS OF THE STUDY

Ho- There is no significant impact of individuals' income on perception about the Financial, Retail and Premium services by post.

H1- There is no significant impact of individuals' income on perception about the Financial, Retail and Premium services by post.

VI. DATA COLLECTION

Researcher use Primary as well as Secondary data in the study.

VII. RESEARCH AREA

Researchers selected customers from Dhule city. Researcher collects data through Primary and Secondary sources. Researcher distributed over 375 questionnaires among the customers.

VIII. SCOPE OF THE STUDY

Nowadays post is very vital part of Indian economy. Customers are the end users of the services provided by the post, if their understanding about the services is proper, the execution will be simple which helps to government for achieving target.

IX. LIMITATION OF THE STUDY

1. The study is based on limited geographical area.
2. Further variables could be added for the purposes of detail study.

X. DATA ANALYSIS

Researcher prepared the questionnaire for customers and distributes it among the customers in Dhule city. There are 323 questionnaire received, before starting analysis, researcher rejected incomplete questionnaires.

XI. TESTING HYPOTHESIS I

Ho- There is no significant impact of individuals' income on perception about the Financial, Retail and Premium services by post.

H1- There is significant impact of individuals' income on perception about the Financial, Retail and Premium services by post.

In order to test the hypothesis, researcher studied following aspects

OBSERVED FREQUENCIES		Income of an Individual (Rs per month)				TOTAL
		Upto 20000	20000-40000	40000-60000	Above 60000	
Most preferred Postal Services	Financial	27	101	5	4	137
	Retail	14	19	37	15	85
	Premium	58	37	4	2	101
	TOTAL	99	157	46	21	323

Whereas the expected frequencies are

EXPECTED FREQUENCIES		Income of an Individual (Rs per month)				
		Upto 20000	20000-40000	40000-60000	Above 60000	TOTAL
Most preferred Postal	Financial	41.99	66.59	19.51	8.91	137
	Retail	26.05	41.32	12.11	5.53	85
	Premium	30.96	49.09	14.38	6.57	101
	TOTAL	99.00	157.00	46.00	21.00	323

Also the test statistics values are

TEST STATISTICS		Income of an Individual (Rs per month)				
		Upto 20000	20000-40000	40000-60000	Above 60000	TOTAL
Most preferred Postal Services	Financial	5.35	17.78	10.79	2.70	36.63
	Retail	5.58	12.05	51.20	16.24	85.07
	Premium	23.62	2.98	7.50	3.18	37.28
	TOTAL	34.55	32.81	69.48	22.12	158.97

Thus,

Sr No	H ₀	H ₁	χ_{cal}	χ_{table}	p_value	Decision
1	There is no impact of individuals' income on perception about the Financial, Retail and Premium services by post	There is impact of individuals' income on perception about the Financial, Retail and Premium services by post	158.97	12.59	0.0000	Reject H ₀ (i.e. There is impact of individuals' income on perception about the Financial, Retail and Premium services by post)

XII. FINDINGS

1. The most vital among Financial, Retail and Premium services by post according to customers' perception is that, "**Financial Services**"
2. As far as customers' opinions are concerned, "**Accessibility to the banking systems in unbanked area will be easy with the help of postal services**" will be the most impactful factor in this regard.

XIII. CONCLUSION

It is prove that services provided by Indian post plays an important role in financial, retail and premium services among all type individual income group. Post offices are working in urban, semi urban and rural area, everybody attach and trust on Indian post. There is significant impact of individuals' income on perception about the Financial, Retail and Premium services by post

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