

# **CUSTOMER AWARENESS ON PARABANKING PRODUCTS**

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**MAHATMA GANDHI UNIVERSITY KOTTAYAM**

In partial fulfilment of the requirement for the

**Degree of Bachelor of Commerce**

Submitted by

**K B GOUTHAM KRISHNA (REG NO: 210021074367)**

**MUHAMMED MILHAJ (REG NO: 210021074316)**

**MOHZIN ZAKEER (REG NO: 210021074314)**

Under the supervision of

**DR. ALDRIN JOSEPH**



**BHARATA MATA COLLEGE, THRIKKAKARA**

**ERNAKULAM, KERALA**

**2021-2024**



## **DEPARTMENT OF B.COM FINANCE AND TAXATION**

(Affiliated to Mahatma Gandhi University, Kottayam)

### **CERTIFICATE**

This is to certify that this dissertation entitled **CUSTOMER AWARENESS ON PARABANKING PRODUCTS** is a record of original work done by K B GOUTHAM KRISHNA (210021074367), MUHAMMED MILHAJ (210021074316) and MOHZIN ZAKEER (210021074314) in partial fulfilment of the requirements for the award of the Degree of Bachelor of Commerce- Finance and Taxation under the guidance of DR. ALDRIN JOSEPH, Department of Finance and Taxation, the work has not been submitted for the award of any degree or title of recognition earlier.

**Asst. Prof. ANCY ANTONY**  
**(HEAD OF THE DEPARTMENT)**

**DR. ALDRIN JOSEPH**  
**(Project Guide)**

**Place: THRIKKAKARA**

**External Examiner**

**Date:**

## **DECLARATION**

We K B GOUTHAM KRISHNA, MUHAMMED MILHAJ, MOHZIN ZAKEER hereby declare that the project report titled **CUSTOMER AWARENESS ON PARABANKING PRODUCTS** is a Bonafide Record of work done by us under the guidance and supervision DR. ALDRIN JOSEPH, Department of Finance and Taxation, BHARATA MATA COLLEGE, THRIKKAKARA. We also declare that this report embodies the findings based on our study and observation and has not been submitted earlier for the award of any Degree or Diploma to any institute or university.

**Place: THRIKKAKARA**

**K B GOUTHAM KRISHNA**

**Date:**

**MUHAMMED MILHAJ**

**MOHZIN ZAKEER**

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**K B GOUTHAM KRISHNA**

**MUHAMMED MILHAJ**

**MOHZIN ZAKEER**

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**CHAPTER 1**  
**INTRODUCTION**



## **1.1 INTRODUCTION**

Para banking products, also known as quasi-banking or shadow banking products, refer to a range of financial services and instruments that are offered by entities other than traditional banks but closely resemble traditional banking functions. These products and services play a vital role in the financial system by providing alternatives to conventional banking services.

These services often complement the core banking functions and include activities like mutual funds, insurance, stock brokerage, and more. Para banking institutions, such as non-banking financial companies (NBFCs) and credit unions, play a crucial role in expanding the range of financial services available to consumers and businesses, contributing to the overall financial ecosystem.

Para banking products often operate in less regulated environments compared to traditional banks, which can pose both opportunities and risks. While they can enhance financial innovation and access to credit, they may also carry higher levels of risk, particularly during financial crises. Therefore, it's crucial for consumers and regulators to understand and monitor the para banking sector to ensure financial stability and consumer protection.

## **1.2 SIGNIFICANCE OF STUDY**

Parabanking services often cater to segments of the population that are underserved or excluded by traditional banks. This can include low-income individuals, rural communities, or those without a formal banking history. By offering alternative financial services, parabanking helps promote financial inclusion and provides access to financial resources to a broader population. Parabanking entities are known for their innovation in financial products and services. Their presence in the market encourages traditional banks to innovate and offer more competitive services, ultimately benefiting consumers with better options and pricing. Parabanking services often specialize in risk assessment and mitigation techniques that cater to specific customer profiles. This specialization can lead to more accurate risk assessment and potentially lower default rates.

### **1.3 OBJECTIVES**

- To understand the awareness level of parabanking among customers.
- To study various parabanking services.
- To study the satisfaction level of customers using parabanking products.

### **1.4 SCOPE OF THE STUDY**

- **Financial Inclusion:** Parabanking can help bring financial services to underserved or unbanked populations, especially in remote or economically disadvantaged areas.
- **Digital Innovation:** Many parabanking services leverage technology to provide convenient and cost-effective financial solutions, making them attractive to tech-savvy consumers.
- **Diverse Services:** Parabanking encompasses a broad spectrum of services, including lending, savings, payments, and investment options, catering to various financial needs.
- **Regulatory Environment:** The scope of parabanking may be influenced by the regulatory framework in a particular country or region, which can impact the types of services offered and consumer protection.
- **Competition:** Parabanking services often compete with traditional banks, fintech companies, and other financial institutions, driving innovation and improving consumer choice.
- **Risk Management:** As with any financial sector, risk management is a crucial component of parabanking, and providers must address issues like credit risk, fraud, and cybersecurity.
- **Financial Education:** Some parabanking initiatives include financial literacy programs to empower users with the knowledge needed to make informed financial decisions.

### **1.5 RESEARCH METHODOLOGY**

Methodology is a way to solve the research problem systematically. It includes various steps that are generally adopted by the researcher studying research problem along with logic behind them. The study is designed on the descriptive study conducted through well framed questionnaire.

### **1.5.1 RESEARCH DESIGN**

For this study, a descriptive research design is employed. A research design is the general framework or operational pattern of the project that dictates which sources and methods should be used to gather information. A research design can be defined as a sequence of predetermined actions derived from a particular master plan or model for carrying out the study.

### **1.5.2 POPULATION**

Population refers to aggregate of sampling units. Population for the study is Parabanking users in Ernakulam District.

### **1.5.3 SAMPLE SIZE**

This investigation involves the collection of 60 samples. After selecting a sample that is representative of the entire population, a survey is carried out.

### **1.5.4 SAMPLING TECHNIQUE**

Convenient sampling method is the technique used in this study.

### **1.5.5 TOOLS USED FOR DATA COLLECTION**

#### **▪ PRIMARY SOURCE**

Original sources or evidence sources are other names for primary data. It offers direct or first-hand information on a thing, person, event, or artistic creation. Here, the information gathered via questionnaire.

#### **▪ SECONDARY SOURCE**

The process of describing, discussing, interpreting, analyzing, evaluating, and summarizing is known as secondary source work. It is a summary of the incident as it was described in the original sources. In this case, publications, websites, newspapers, articles, etc. are the sources of the data.

### **1.5.6 TOOLS USED FOR DATA COLLECTION**

The analytical tool used for analyzing the collected data is percentage analysis, tables and pie diagrams

### **1.6 LIMITATIONS**

- The size of the sample of present study is limited in its nature which puts a limitation on the generalization of results of the present study.
- Some of the respondents were reluctant to give complete information.
- Customers may not accurately report their awareness levels due to social desirability bias or lack of understanding.

**CHAPTER 2**

**REVIEW OF LITERATURE**

1. **Kanadurga A And Challa S D:** Integrated Marketing Communication And It's Impact in creation of consumer awareness towards Para-banking activities. According to Kanadurga A and Challa S D these IMC campaigns are important not only for marketing tangible goods, but also for intangible ones such as bank para-banking services. As a result, banks must grasp the importance of integrated marketing communication and apply it correctly in order to persuade customers.
2. **Tc And Melvin :** Need Of The Hour: awareness on green banking products. According to Tc C and Melvin C J it is the obligation of banks to raise knowledge about Green Banking products and encourage clients to use them in order to safeguard the environment. Each customer's tiny step now will make a big difference tomorrow.
3. **Abubakar Aliyu And Tasmin:** The impact of Information and Communication Technology on bank's performance and customer service delivery in the banking industry. Abubakar Aliyu And Tasmin states that the use of ICT can result in decreased costs, but the effect on profitability is unclear due to the likelihood of ICT effects arising as a result of consistency. high need of qualified work force, issues of increasing demand to meet customer's expectation for customer service delivery, trustworthiness of the information system and competition in financial services.
4. **Lalitha Paidipati And Amarnath :** Lalitha , Paidipati And Amarnath has found out that the services offered by private sector banks and the reception of employees satisfied the customers when compared to public sector banks. Customer orientation and customer knowledge were more in private banks. The bank personnel were trained well and responded to the queries/complaints faster in private sector banks which were comparatively low in public sector banks. Therefore, public sector banks have to improve CRM practices in terms of services/satisfaction and creating awareness about products offered by banks and their purpose of utilization to customers.

5. **Catwright P:** Understanding and protecting vulnerable financial consumers. According to Catwright P this article presented a vulnerability taxonomy to help identify (a) what makes consumers particularly vulnerable, and (b) how consumer protection law and policy might respond to these and ensure that such consumers are adequately protected. The paper recognizes the importance of competitive marketplaces and proposes ways for consumer law and policy to assist vulnerable consumers without imposing burdensome or counterproductive responsibilities on traders.
6. **Srisusilawat P, Wijayanti I M, Yaqin H N And Eprianti N:** Marketing Strategy in building brand image and strengthening the foundation of Sharia Bank. The Marketing Strategy of Bank BSI KC Bandung Asia Africa in building a Brand Image has more strengths than weaknesses, and on external factors, opportunities are greater than threats, so the position of BSI KC Bandung Asia Africa is in Quadrant I, which means Bank BSI KC Bandung Asia Africa has the potential to continue to grow and can be developed in the future, so the choice of strategic techniques.
7. **Rani & Tanwar :** Investigated that Customers are more satisfied with public sector banks, according to this study, although the difference is negligible. When choosing a bank, customers give appropriate consideration to aspects like proximity to the location, staff behaviour, image and credibility, service speed, the number of ATMs, the number of networked ATM branches, and branches with modern technology.
8. **Kaur & Singhn :** Investigated that succinct discussion of the concept, evolution, prospects, and challenges of bad banks and how they affect the Indian financial system, it can be said that the concept of bad banks is a new phenomenon in the Indian financial system because it would enhance the system's ability to support development.
9. **Ariffin, Rahman, Muhammad & Zhang :** According to Ariffin, Rahman, Muhammad & Zhang the results of this study demonstrate that perceived usability and utility were found to have a favourable effect on consumers' attitudes during the COVID-19 epidemic. Additionally, it was discovered that users' contentment and long-term desire to use an e-wallet were significantly influenced by attitude, subjective norm, positive disconfirmation, and perceived behavioural control.

10. **Trivedi** : Trivedi analysed that the research to learn about the difficulties clients encounter while using the e-banking services offered by the banks, to recommend potential fixes to the banks for these issues, and to see how well-liked and accepted the e-banking services are with customers. This study examines, using a sizable sample of respondents, how different age groups who live in urban and rural areas and work in various occupations view the efficiency, fulfilment, trust, responsiveness, and level of customer satisfaction dimensions of e-banking services.



**CHAPTER 3**  
**THEORETICAL FRAMEWORK**

## **Customer Awareness on parabanking products**

Customer awareness on parabanking products is a crucial area of study within the realm of financial services. Parabanking products encompass a wide range of financial services and products offered by institutions outside the traditional banking sector. These may include microfinance, peer-to-peer lending, mobile banking, and various forms of informal financial services. Understanding the theoretical framework guiding customer awareness in this context involves several key perspectives.

Firstly, the Theory of Planned Behavior (TPB) offers valuable insights into how individuals' attitudes, subjective norms, and perceived behavioral control influence their intention to engage with parabanking products. According to TPB, individuals are more likely to adopt new financial services if they perceive them favorably, if they believe that significant others endorse their use, and if they feel confident in their ability to access and utilize these services effectively.

Secondly, the Technology Acceptance Model (TAM) provides a framework for understanding the adoption and usage of technology-driven parabanking products. TAM posits that perceived usefulness and perceived ease of use are key determinants of individuals' intention to use technology, which can be applied to various parabanking products such as mobile banking apps or online lending platforms. Higher levels of perceived usefulness and ease of use are likely to enhance customer awareness and uptake of these products.

Additionally, the Behavioral Economics perspective sheds light on the behavioral biases and heuristics that may influence individuals' decisions regarding parabanking products. Concepts such as loss aversion, status quo bias, and social proof play a role in shaping customer awareness and behavior in the context of financial services. Understanding these biases can inform the design of effective communication strategies and interventions to enhance customer awareness and engagement with parabanking products.

Furthermore, the Social Exchange Theory emphasizes the importance of trust and reciprocity in shaping relationships between customers and parabanking providers. Building trust through transparent communication, fair treatment, and positive customer experiences is essential for fostering awareness and loyalty among customers. Moreover, the theory highlights the role of social networks and interpersonal relationships in disseminating information and influencing individuals' attitudes and behaviors towards parabanking products.

In conclusion, the theoretical framework surrounding customer awareness on parabanking products encompasses a multidimensional perspective that considers individual beliefs, technological factors, behavioral biases, and social dynamics. By integrating insights from theories such as TPB, TAM, Behavioral Economics, and Social Exchange Theory, researchers and practitioners can develop comprehensive strategies to enhance customer awareness and facilitate informed decision-making in the realm of parabanking.

### **History of Parabanking**

Parabanking, the provision of financial services by entities other than traditional banks, has a history rooted in the diversification and expansion of financial services. Emerging in the early 20th century, parabanking initially offered services such as insurance and investment products to those underserved by banks. The post-World War II era saw a significant uptick in parabanking as economies recovered and demand for financial services grew. This period marked the expansion of offerings to include leasing, factoring, and mutual funds, broadening access to financial products. However, this growth also led to regulatory challenges, prompting the introduction of new rules to oversee parabanking activities and protect consumers. Technological advancements in the late 20th and early 21st centuries further transformed parabanking, with online and mobile platforms enabling non-bank financial institutions to offer more convenient and accessible services. Today, parabanking continues to evolve, with fintech companies leveraging technology to provide innovative financial solutions, underscoring its ongoing impact on the financial services landscape.

### **Importance of parabanking in present India**

In present-day India, parabanking plays a crucial role in expanding financial inclusion and driving economic growth. With a large population and diverse economic landscape, many Indians have limited access to traditional banking services. Parabanking institutions, including non-banking financial companies (NBFCs) and microfinance institutions (MFIs), bridge this gap by offering a range of financial products and services tailored to the needs of underserved communities. These institutions provide access to credit, savings, insurance, and investment opportunities, empowering individuals and small businesses to participate more actively in the formal financial system. Additionally, parabanking has contributed to the development of innovative financial solutions, particularly in rural and semi-urban areas, where traditional

banks have limited reach. As India continues to advance technologically, parabanking is expected to play an increasingly important role in driving financial inclusion and fostering economic development across the country.

### **Feature of Parabanking**

- **Targeted Customer Segments:** Parabanking often caters to specific customer segments, including individuals and businesses that may be underserved or excluded from traditional banking services.
- **Flexibility and Innovation:** Parabanking institutions tend to be more flexible and innovative in their offerings, adapting to changing market needs and leveraging technology to provide convenient and accessible services.
- **Regulatory Framework:** While parabanking operates outside the traditional banking sector, it is subject to regulatory oversight to ensure consumer protection and financial stability.
- **Financial Inclusion:** Parabanking plays a crucial role in promoting financial inclusion by providing access to financial services for individuals and businesses that may not have access to traditional banking services.
- **Risk Management:** Parabanking institutions often employ specialized risk management practices tailored to the specific products and services they offer, such as credit risk management in microfinance and insurance.
- **Customer Relationship Management:** Parabanking institutions typically focus on building strong customer relationships, often offering personalized services and advice to meet the unique needs of their clients.
- **Technology-driven:** Parabanking heavily relies on technology to deliver its services, with many institutions leveraging digital platforms to reach customers and streamline operations.

## **Advantages of Parabanking**

- **Financial Inclusion:** Parabanking helps reach segments of the population that are underserved by traditional banks, such as those in rural or remote areas. By offering a range of financial products and services, parabanking promotes financial inclusion and access to capital.
- **Diverse Product Offerings:** Parabanking institutions often provide a wider range of products and services compared to traditional banks. This includes microloans, insurance, mutual funds, and other specialized financial products tailored to the needs of specific customer segments.
- **Innovation and Flexibility:** Parabanking institutions are often more agile and innovative than traditional banks, allowing them to quickly adapt to changing market conditions and customer needs. This can lead to the development of new and more efficient financial products and services.
- **Accessibility and Convenience:** Parabanking services are often more accessible and convenient than traditional banking services. Many parabanking institutions operate online or through mobile apps, making it easier for customers to access their accounts and conduct transactions from anywhere.
- **Competition and Lower Costs:** The presence of parabanking institutions in the market can lead to increased competition, which can result in lower costs and better terms for customers. This can benefit consumers by providing them with more options and better value for their money

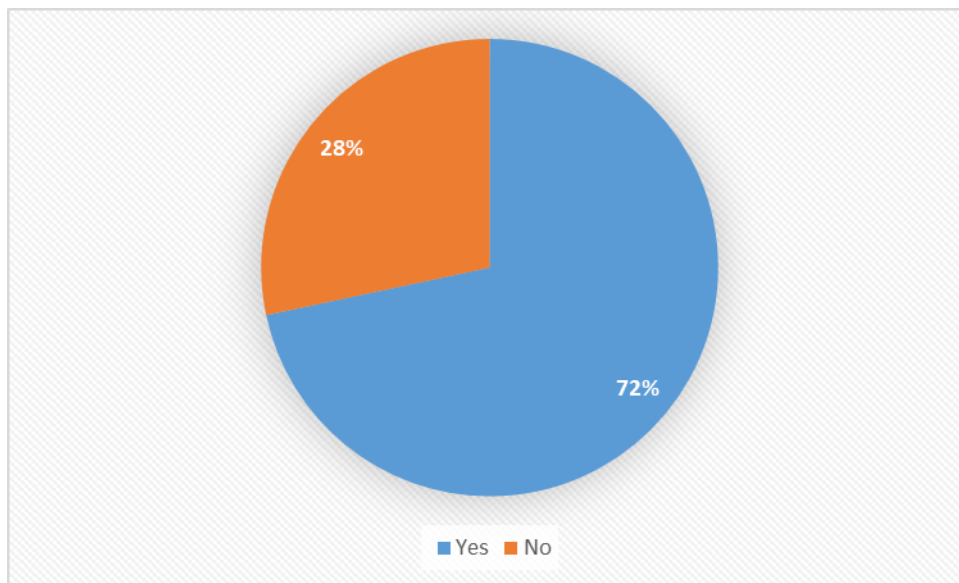
## **Drawbacks of Prabanking**

- **Regulatory Challenges:** Parabanking institutions are often subject to less stringent regulations compared to traditional banks. This can lead to issues related to consumer protection, financial stability, and transparency.
- **Riskier Products:** Some parabanking products, such as high-risk investment schemes or unregulated lending practices, can expose consumers to higher levels of risk compared to traditional banking products.
- **Lack of Deposit Insurance:** Unlike traditional banks, many parabanking institutions do not offer deposit insurance. This means that consumers may not have the same level of protection for their savings in case of institution failure.
- **Limited Services:** Parabanking institutions may not offer the same range of services as traditional banks, potentially limiting consumers' access to certain financial products and services.
- **Fraud and Scams:** The less regulated nature of parabanking can make consumers more vulnerable to fraud and scams, as there may be fewer safeguards in place to protect them.
- **Higher Costs:** Some parabanking products and services may come with higher costs or fees compared to traditional banking services, which can be a disadvantage for consumers.

**CHAPTER 4**  
**DATA ANALYSIS AND**  
**INTERPRETATION**

**Table 4.1 Awareness on parabanking products**

Attributes	No. of Respondents	Percentage
Yes	43	72%
No	17	28%
Total	60	100%



**Figure 4.1 Awareness on parabanking products**

**INTERPRETATION:**

From above table, 72% are aware about parabanking products



Table 4.2 **How did they come to know about Parabanking products**

Attributes	No. of Respondents	Percentage
From Bank Officials	11	18%
From Advertisement	19	32%
From Family Members	7	11%
From Friends	10	17%
Others	13	22%
Total	60	100%

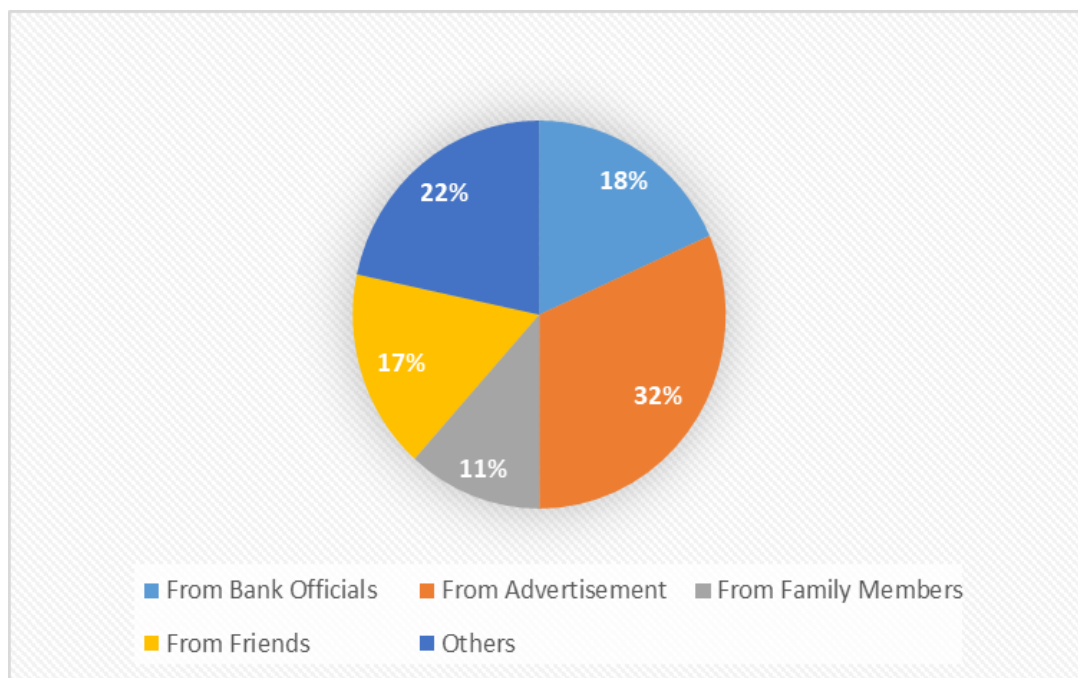


Figure 4.2 How did they come to know about Parabanking products

**INTERPRETATION:**

From the above table, 32% is aware about parabanking from advertisement and 22% are from other sources.

Table 4.3 Awareness on Mutual Funds

Attributes	No. of Respondents	Percentage
Highly Aware	19	32%
Aware	27	45%
Either Aware / Aware	10	17%
Less Aware	3	5%
Not Aware	1	1%
Total	60	100%

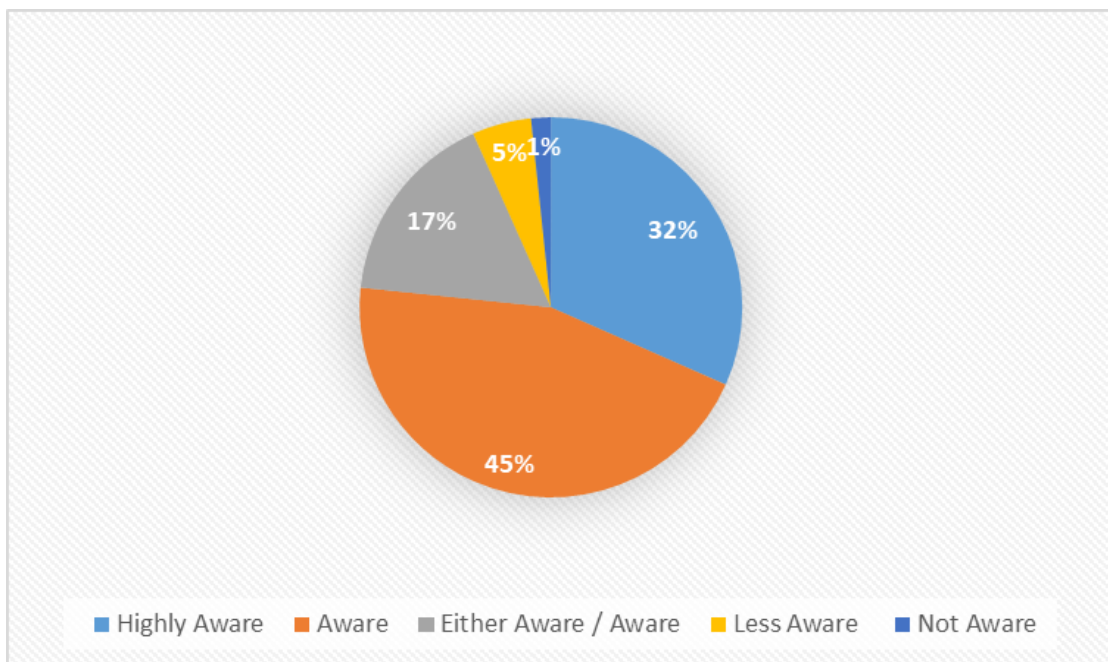


Figure 4.3 Awareness on Mutual Funds

**INTERPRETATION:**

From the above table, 45% are aware and 32% are highly aware about mutual funds.

Table 4.4 Awareness on Government Security Market

Attributes	No. of Respondents	Percentage
Highly Aware	9	15%
Aware	28	46%
Either Aware / Aware	13	22%
Less Aware	7	12%
Not Aware	3	5%
Total	60	100%

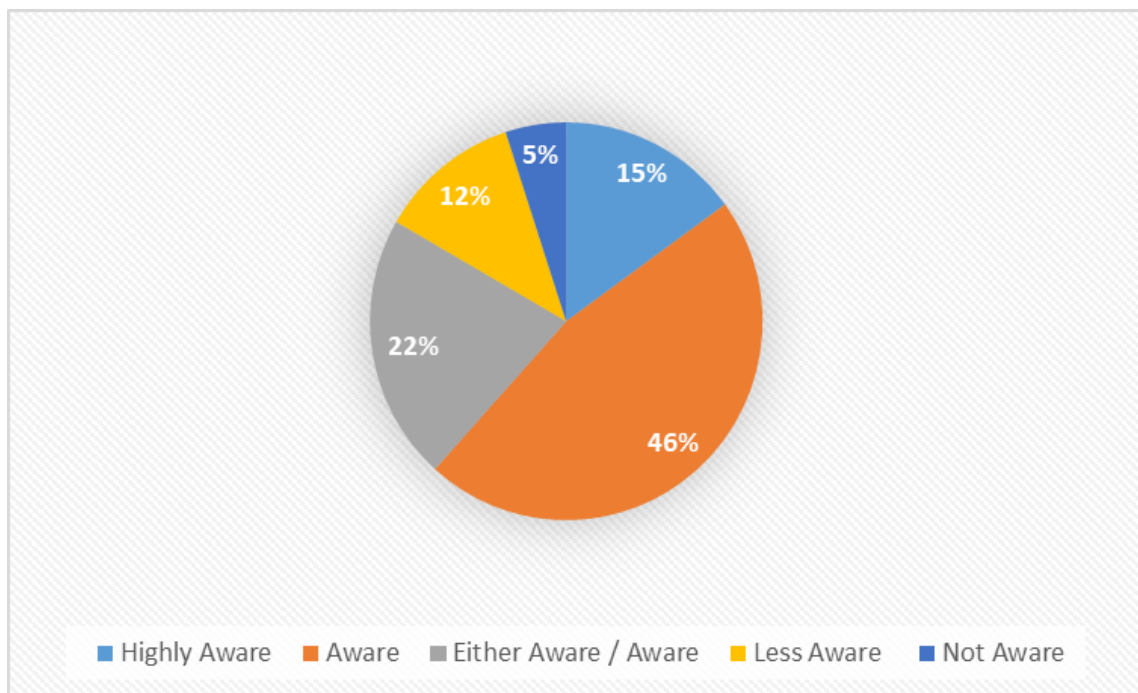


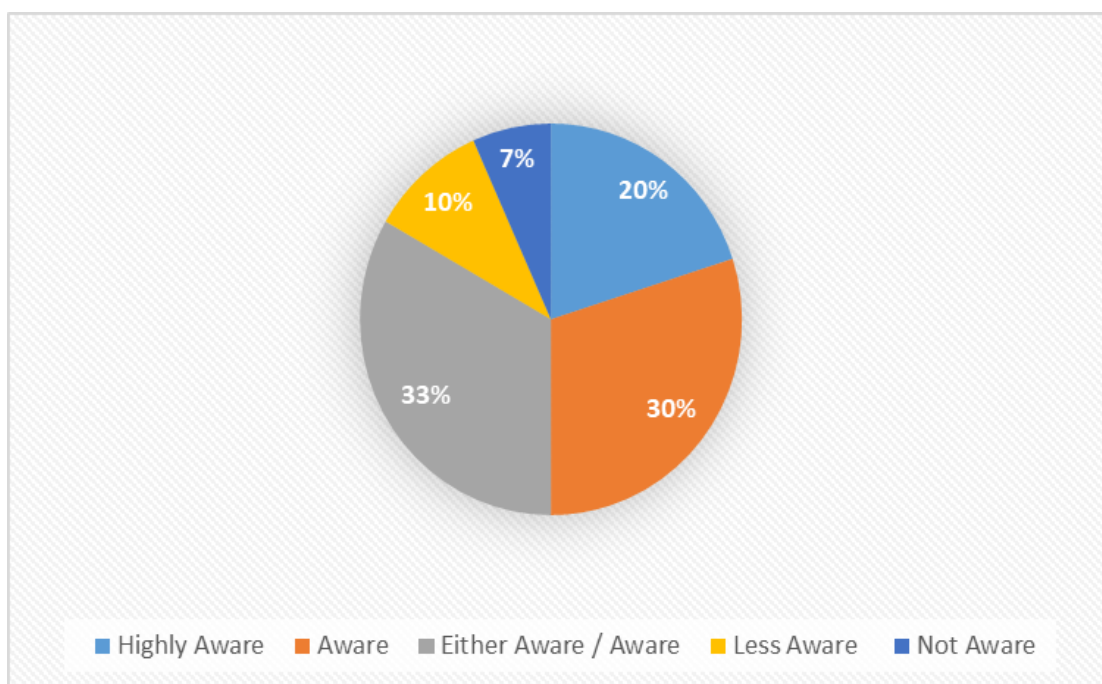
Figure 4.4 Awareness on Government Security Market

**INTERPRETATION:**

From the above table, 46% aware and 22% either aware / aware about Government Security Market.

**Table 4.5 Awareness on Factoring**

Attributes	No. of Respondents	Percentage
Highly Aware	12	20%
Aware	18	30%
Either Aware / Aware	20	33%
Less Aware	6	10%
Not Aware	4	7%
Table	60	100%



**Figure 4.5 Awareness on Factoring**

**INTERPRETATION:**

From the above table, 33% are either aware/ aware and 30% are aware about Factoring.

Table 4.6 Awareness on Housing finance

Attributes	No. of Respondents	Percentage
Highly Aware	15	25%
Aware	22	37%
Either Aware / Aware	17	28%
Less Aware	5	8%
Not Aware	1	2%
Total	60	100%

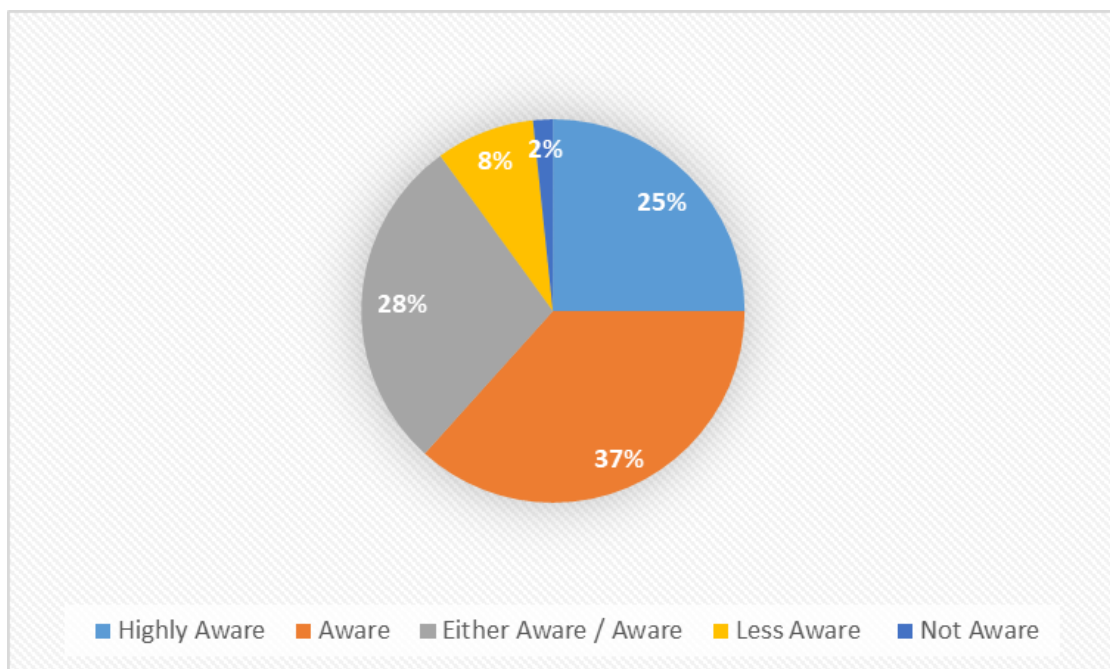


Figure 4.6 Awareness on Housing finance

**INTERPRETATION:**

From the above table, 37% are aware and 28 % are either aware/ aware on Housing finance

Table 4.7 Awareness on Leasing and Hire Purchase

Attributes	No. of Respondents	Percentage
Highly Aware	16	27%
Aware	24	40%
Either Aware / Aware	13	22%
Less Aware	5	8%
Not Aware	2	3%
Total	60	100%

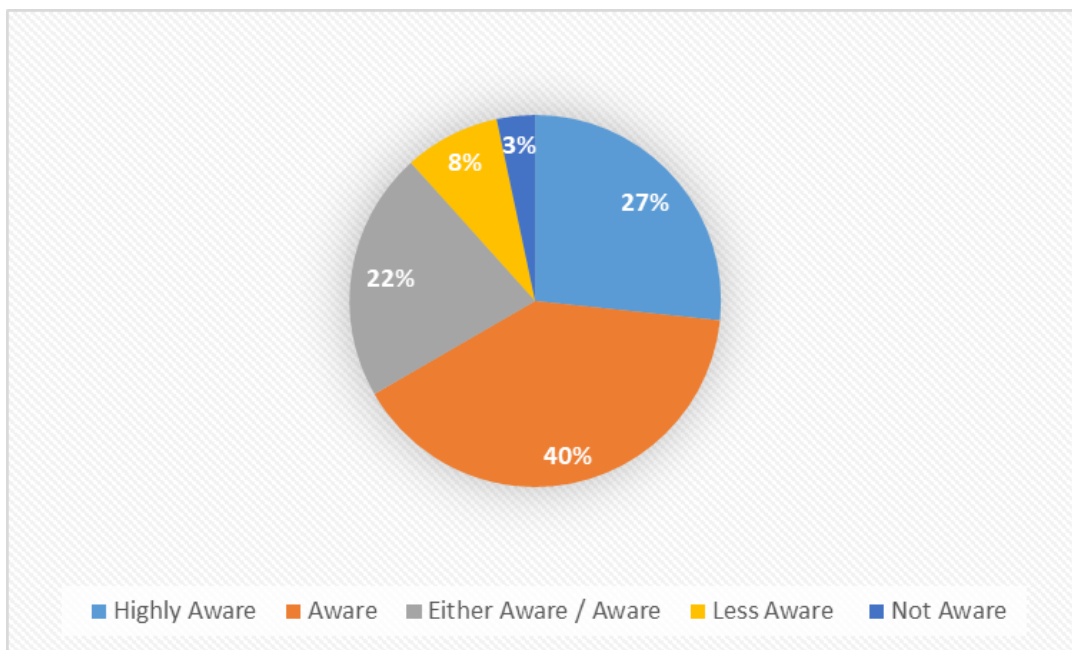


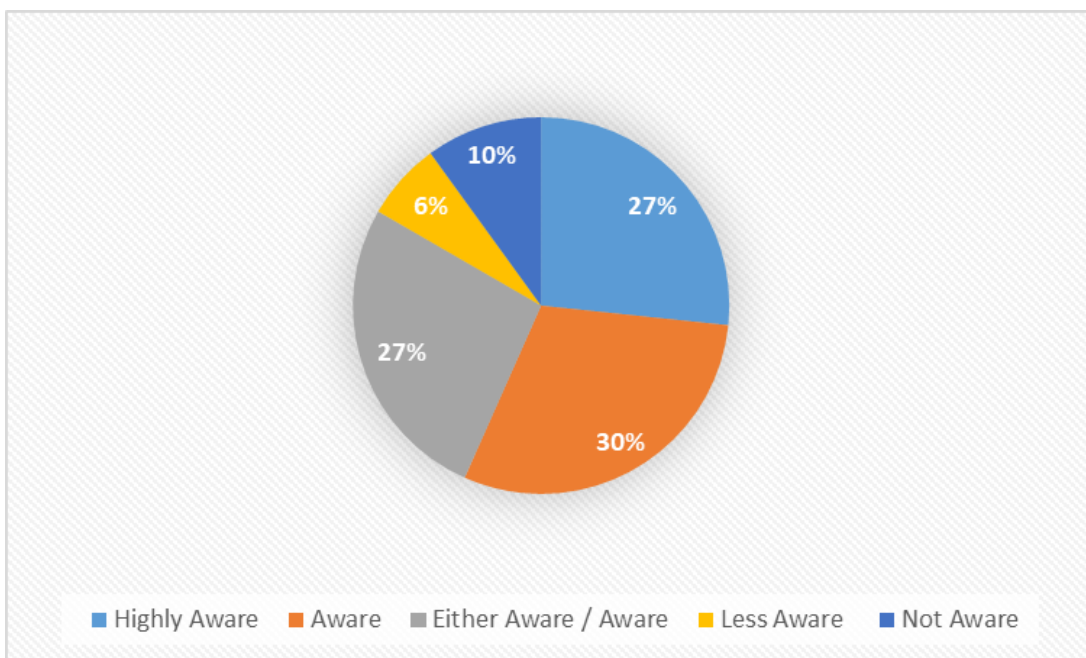
Figure 4.7 Awareness on Leasing and Hire Purchase

**INTERPRETATION:**

From the above table, 40% are aware and 27% are highly aware on Leasing and Hire Purchase.

**Table 4.8 Awareness on Venture Capital**

Attributes	No. of Respondents	Percentage
Highly Aware	16	27%
Aware	18	30%
Either Aware / Aware	16	27%
Less Aware	4	6%
Not Aware	6	10%
Total	60	100%



**Figure 4.8 Awareness on Venture Capital**

**INTERPRETATION:**

From the above table, 30% are aware 27% are highly aware and either aware/ aware about Venture capital.

Table 4.9 Awareness on Stock brokering

Attributes	No. of Respondents	Percentage
Highly Aware	14	24%
Aware	19	33%
Either Aware / Aware	15	26%
Less Aware	5	8%
Not Aware	5	9%
Total	60	100%

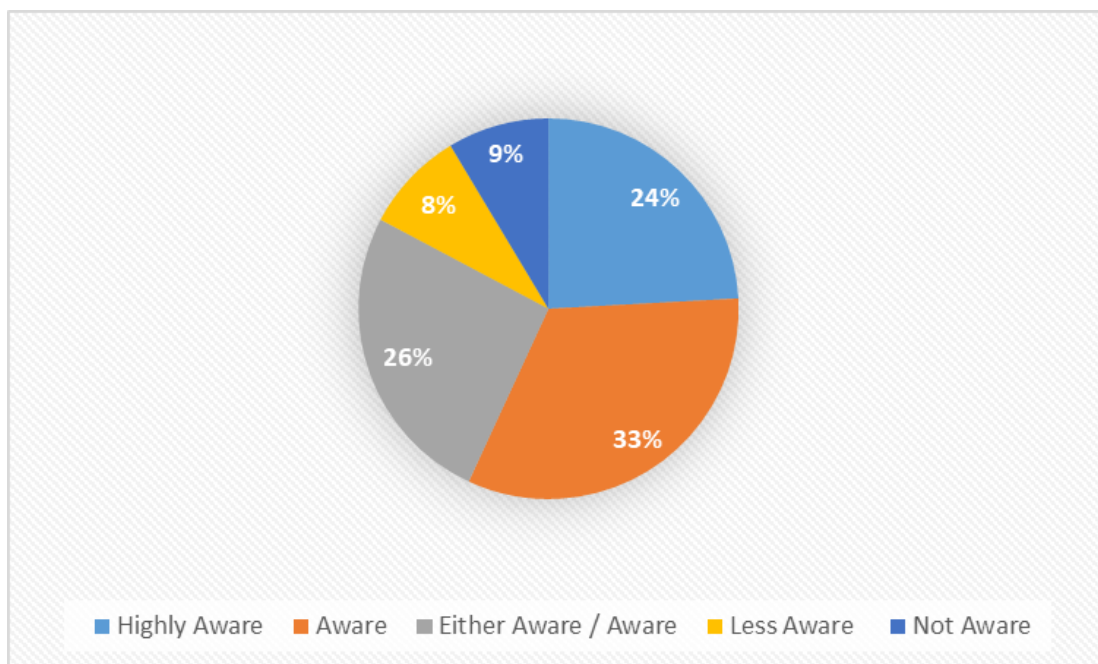


Figure 4.9 Awareness on Stock brokering

INTERPRETATION:

From the above table, 33% are aware and 26% are either aware/ aware on Stock brokering



Table 4.10 How often do they use E banking services

Attributes	No. of Respondents	Percentage
Regularly	26	44%
Often	15	25%
Occasionally	11	18%
Sometimes	2	3%
Rarely	6	10%
Total	60	100%

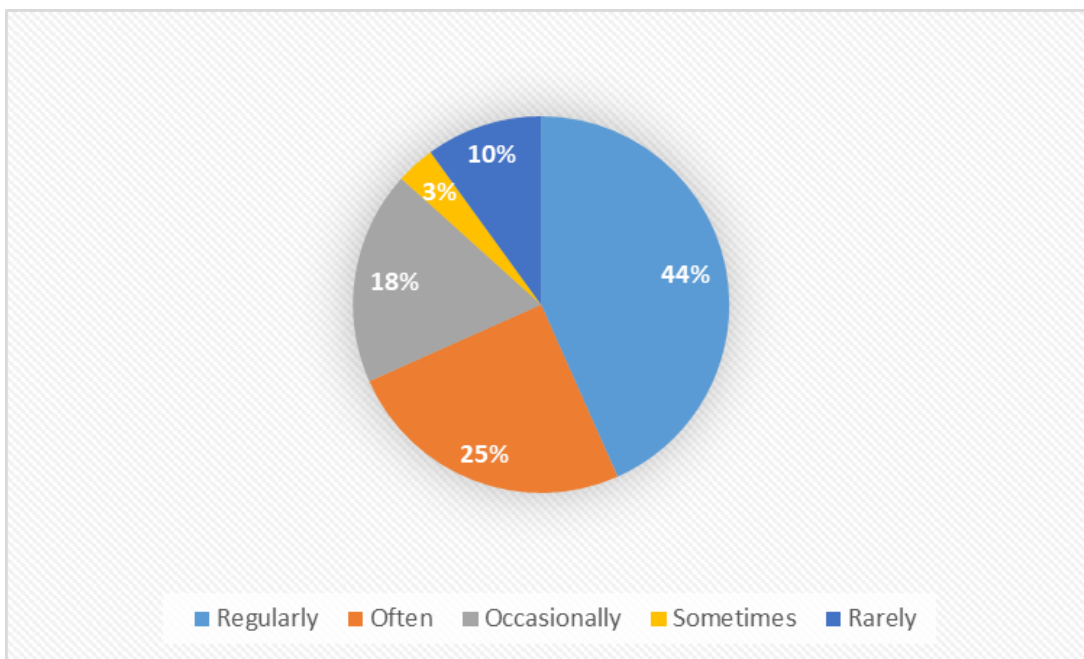


Figure 4.10 How often do they use E banking services

**INTERPRETATION:**

From the above table, 44% are regularly and 25% are oftenly use E banking services

**CHAPTER 5**  
**SUMMARY, FINDINGS,**  
**SUGGESTION AND CONCLUSION**

## **5.1 Summary**

The purpose of a study on customer awareness of parabanking products is to gain insights into the level of knowledge and understanding that customers have regarding these financial products. Parabanking refers to financial services and products that are offered outside of traditional banking channels. This could include services provided by non-banking financial institutions, fintech companies, or other alternative financial service providers. In summary, the purpose of the study is to gain a comprehensive understanding of customer awareness regarding parabanking products, with the ultimate goal of improving communication, addressing knowledge gaps, and fostering a more informed and confident customer base in the realm of alternative financial services.

The process of gathering data began with a random selection of 60 customers. Subsequently, the structured questionnaire which has been pre-checked and revised the guide is given out to the chosen customers based on a predetermined age range. Subsequently, the information is categorised and examined in accordance with the study's objective.

A statistical instrument like the simple percentage analysis approach has been used for analysis and interpretation. The material is provided in a particular order: (1) introduction, (2) literature review, (3) theoretical framework, (4) data analysis and interpretation and (5) summary, finding, suggestion and conclusion.

## **5.2 Findings**

It is found that majority of the respondents are aware on parabanking products . Major findings are;

- Out of 60 respondents 72% are aware about parabanking products and 28% are unaware.
- Out of 60 respondents 32% is aware about parabanking from advertisement and 22% are from other sources.
- Majority of the respondents are aware about the government security market with 46%.
- Out of 60 respondents 33% are either aware/ aware and 30% are aware about Factoring.
- Majority of the respondents are aware of house factoring by 37%.

- Nearly half of the number of respondents are aware about leasing and hire purchase and 27% are highly aware on Leasing and Hire Purchase.
- Out of 60 respondents 33% are aware and 26% are either aware/ aware on Stock brokering
- Out of 60 respondents 44% are regularly and 25% are oftenly use E banking services

### **5.3 Suggestions**

- Since 32% of respondents became aware of parabanking products through advertisements, consider diversifying advertising channels. Utilize social media, online platforms, print media, and even radio or television to reach a wider audience.
- Conduct educational workshops and seminars to disseminate information about parabanking products. These sessions could cover the benefits, risks, and practical applications of various parabanking services to enhance understanding
- Given that 46% of respondents are aware of the government security market, consider collaborating with government authorities to incorporate parabanking awareness programs into existing financial literacy initiatives.
- Since 33% of respondents are aware of factoring, design targeted marketing campaigns to highlight the advantages of factoring. Showcase case studies or success stories to make it more relatable to potential users.
- With 37% awareness of house factoring, focus on promoting this specific parabanking product through targeted marketing and awareness campaigns. Emphasize its benefits and how it can cater to the needs of the target audience.
- As nearly half of the respondents are aware of leasing and hire purchase, create awareness campaigns to highlight the advantages of these services. Consider using real-life examples or testimonials to make the information more compelling.
- Since 44% of respondents regularly use E-banking services, capitalize on this by promoting other parabanking products through online platforms. Leverage digital marketing strategies to reach and engage with this tech-savvy audience.
- With 33% awareness of stock brokering, implement targeted campaigns to enhance awareness among the remaining respondents. Utilize online platforms, webinars, and informative content to educate them on the benefits of stock brokering.

- Encourage the usage of parabanking products by offering incentives or discounts for first-time users. This could attract new customers and motivate existing ones to explore additional services.
- Establish a continuous communication channel to keep customers informed about updates, new products, and any changes in parabanking services. Regular newsletters, emails, or SMS updates can help maintain engagement.

### **5.3 Conclusion**

In conclusion, the findings of the study on awareness of parabanking products provide valuable insights that can guide strategic initiatives to enhance public knowledge in this domain. While a commendable 72% of the surveyed respondents exhibit awareness, there is still a significant 28% unawareness that warrants attention. Diversifying advertising channels, particularly through online platforms and traditional media, emerges as a crucial strategy, considering 32% awareness derived from advertisements. Collaboration with government authorities and incorporation into existing financial literacy programs could further strengthen understanding, especially given the notable 46% awareness of the government security market. Targeted marketing efforts are recommended for specific parabanking products such as factoring, house factoring, leasing, and hire purchase, where awareness levels vary. Leveraging the popularity of E-banking services, continuous communication channels, and offering incentives can further boost awareness and engagement. The study underscores the importance of a multifaceted approach that combines educational workshops, strategic partnerships, and targeted marketing to bridge the awareness gap and promote a comprehensive understanding of parabanking products among the wider population.

In the realm of parabanking products, the study's findings illuminate both encouraging signs and areas for improvement in terms of public awareness. The fact that 72% of the respondents are already aware of these financial instruments indicates a promising foundation. However, the remaining 28% who lack awareness represent a substantial segment that could benefit from targeted educational efforts. The study highlights the importance of diverse advertising channels, with 32% of respondents attributing their awareness to advertisements. This underscores the need for a strategic and comprehensive marketing approach that includes both traditional and digital platforms to effectively reach a wider audience.

Furthermore, the study emphasizes the significance of government security markets, with 46% of respondents expressing awareness. Leveraging this existing awareness could serve as a gateway to introduce other parabanking products, forming a cohesive financial literacy strategy. Collaborative initiatives with government authorities and financial institutions could enhance existing efforts to promote a more nuanced understanding of parabanking products, aligning with the broader goal of improving financial literacy.

The varied awareness levels across specific parabanking products, such as factoring, house factoring, leasing, and hire purchase, underscore the need for targeted campaigns. Crafting messages that highlight the practical applications, benefits, and potential risks of these products can help demystify complex financial concepts and resonate with diverse audiences. The study also reveals a notable 44% of respondents regularly using E-banking services, suggesting a tech-savvy demographic. Capitalizing on this trend through targeted digital marketing efforts can serve as an effective avenue to promote awareness and adoption of parabanking services.

Establishing continuous communication channels, as suggested, can play a pivotal role in maintaining engagement and providing regular updates on parabanking products. Incorporating customer feedback loops and monitoring the effectiveness of awareness campaigns will be essential for refining strategies over time. In conclusion, a multifaceted approach that combines educational workshops, strategic partnerships, targeted marketing, and leveraging existing awareness channels can bridge the knowledge gap and foster a more informed public understanding of parabanking products.

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## APPENDIX

### Questionnaire

1. Name:

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2. Gender: \*

Male

Female

3. Occupation: \*

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4. Age: \*

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5. Are you aware about Parabanking products? \*

Yes

No

6. If yes, how did you come to know about Parabanking products? \*

From Bank Officials

From Advertisement

From Family Members

From Friends

Others



7. Please indicate the level of awareness towards various Parabanking products. \*  
*Tick all that apply.*

	Highly Aware	Aware	Either Aware or Aware	Less Aware	Not Aware
Mutual Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government Security Market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Factoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Housing Finance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leasing and Hire Purchase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Venture Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stock Brokering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. How often do you use E-Banking Services? \*

- Regularly
- Often
- Occasionally
- Sometimes
- Rarely

9. Please indicate the level of agreement towards satisfaction of Parabanking Products.\*

	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Convenience of accessing Parabanking Products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fees and charges associated with Parabanking Products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security and privacy associated with Parabanking Products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reliability and information of Parabanking services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall quality of Parabanking Products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parabanking ensures money	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10. Any other suggestions?

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