



Consumers' Perceptions toward ATM Booths: A Study on Bangladesh

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Abstract.

The main purpose of this paper is to evaluate various factors of services that consumers want a bank should ensure before setting up an ATM booth. A structured close-ended questionnaire was used for data collection through a random distribution to 120 ATM users from Sylhet city in Bangladesh. This study has indicated Security, Convenient place, Availability, Speedy services & Low cost services were the main factors, which were influenced the consumers' while using ATM services. Specifically in the context of Bangladesh. This finding will help both the academics and the Bank services providers in understanding the perception of the users towards the ATM Services.

Keywords: Consumers' Perceptions; ATM Booths

1. Introduction

Technology is revolutionizing the financial services industry through various unthinkable innovations. The volume of cross-border trading and other financial activities is increasing geometrically facilitated by technology. The influence of technology over product innovations in banks is enormous. In innovation, process banks have to decide which products they wish to sell, whether they wish to build those products themselves, how they should deliver, and why they wish to deliver them to customers. Innovation is the art of overcoming constraints toward development. It occurs when a new or changed product or service is introduced to the market, or when a new or changed process is used in a commercial situation. No organization can remain happy with the existing products to cope with the competitors. Banks are no exception to this situation. The Automated Teller Machine (ATM) is such type of innovation that can mechanically accept deposits, issue withdrawals, transfer funds between accounts, collect bills, and make small loans. Automated Teller Machines (ATMs) are electronic machines, which are operated by a customer himself to deposit or to withdraw cash from bank. For using an ATM, a customer has to obtain an ATM card from his bank. The **ATM card** is a plastic card, which is magnetically coded. The machine can easily read it.

Today ATM service is the most popular banking service. The ATM has made it possible for bank

customers to access cash at any time irrespective of bank business hours. People do not like or feel safe to carry a huge amount of money. If they carry an ATM card they can withdraw or deposit money at anywhere whenever they need it, as the ATMs are situated at more convenient place like shopping centre, railway station, airport, university etc.

1.2 What is ATM?

Today's banking industry is much more mature than past. Marketing and changing trend of banking services is the very vital thing in modern banking sector. Automatic teller machine (ATM) is one of the most demanded and latest technologies that support modern banking services.

An Automated Teller Machine or Automatic Teller Machine (ATM) also known as Automated Banking Machine (ABM), Cash machine, Cashpoint, Cash line, Minibank is an electronic telecommunications device that enables the customers of a financial institution to perform financial transaction particularly cash withdrawal without the need for a human cashier, clerk or bank teller. Presently this is one of the most improvised ways of transaction. As people do not feel comfortable to carry huge amount of money, they use ATMs. By adding new features and also increasing the security issues it may provide more supremacy than it today. As a result life becomes reliable and lighten up. According to the ATM Industry Association (ATMIA), there are now close to 3 million ATMs installed worldwide. ATM is used for cash-delivery operations with plastic cards. Besides, the ATM allows the holder of a card to receive the information on the current status of the account (including an extract on a paper), and also to transfer money from one account to another. Obviously, the ATM is supplied with the device for reading a card, and with the display and the keyboard for interaction with the card-holder. The ATM dispenser is equipped with the personal computer which provides management of a cash dispenser and the control of its status. The last is rather important, as the cash dispenser is storehouse of cash. Monetary denominations in an ATM are placed in cartridges which are in the special safe. The number of cartridges defines number of the denominations which are given out by an ATM. At present the majority of models is



designed for job in on-line mode with magnetic strip cards as well as smart cards. For maintenance of communication functions ATMs are equipped with modems or LAN Card.

1.3 History of ATM:

There has been a great deal of debate over the history of ATM, including who the ATMs inventor is. According to Invention & Technology Magazine (2000) in the late 1930's, Luther George Simjian started building an earlier and not-so-successful version of an ATM, but he register related patents. Starting in 1939, Simjian registered 20 patents related to the device and persuaded what is now Citicorp to give it a trial. But the patent was unsuccessful because after six months, the bank reported that there was little demand. The ATM finds its origins in the 1950s and 1960s, when self-service gas stations, supermarkets, automated public-transportation ticketing, and candy dispensers were popularized. The idea of out-of-hours cash distribution developed from banker's needs in Asia (Japan), Europe (Sweden and the United Kingdom) and North America (the United States). The first cash machine seems to have been deployed in Japan in the mid-1960s, according to a *Pacific Stars and Stripes* account at the time, but little has been published about it since. Afterwards New York's First National City Bank (now Citibank) installed a Bankograph (ATM predecessor) in several branch lobbies in 1960. The idea was for customers to pay utility bills and receipts without having to see a teller. The most successful early deployments took place in Europe, where bankers responded to increasing unionization and rising labor costs by soliciting engineers to develop a solution for after-hours cash distribution. As a result of which the first ATM was put into use by Barclays Bank in its Enfield Town branch in north London, United Kingdom, on 27 June 1967. This machine was inaugurated by English comedy actor Reg Varney. This instance of the invention is credited to John Shepherd-Barron of printing firm De La Rue, who was awarded an OBE in the 2005 New Year Honours. This design used paper cheques issued by a teller or cashier, marked with carbon-14 for machine readability and security, which in a latter model were matched with a personal identification number (PIN). Shepherd-Barron stated; "It struck me there must be a way I could get my own money, anywhere in the world or the UK. I hit upon the idea of a chocolate bar dispenser, but replacing chocolate with cash".

In January 9, 1969's ABC newspaper (Madrid edition) there was an article about the new Bancomat, a teller machine installed in downtown

Madrid, Spain, by Banesto, dispensing 1,000 peseta bills (1 to 5 max). Each user had to introduce a security personal key using a combination of the ten numeric buttons. In March of the same year an ad with the instructions to use the Bancomat was published in the same newspaper. Bancomat was the first cash machine installed in Spain, one of the first in Europe.

However, the first modern ATM was an IBM 2984 and came into use at Lloyds Bank, Brentwood High Street, Essex, England in December 1972. The IBM 2984 was designed at the request of Lloyds Bank. The 2984 Cash Issuing Terminal was the first true ATM, similar in function to today's machines and named by Lloyds Bank: Cashpoint; Cashpoint is still a registered trademark of Lloyds TSB in the UK. All were online and issued a variable amount which was immediately deducted from the account. A small number of 2984s were supplied to a US bank. A couple of well-known historical models of ATMs include the IBM 3614, IBM 3624 and 473x series, Diebold 10xx and TABS 9000 series, NCR 1780 and earlier NCR 770 series.

The first switching system to enable shared automated teller machines between banks went into production operation on February 3, 1979 in Denver, Colorado, in an effort by Colorado National Bank of Denver and Kranzley and Company of Cherry Hill, New Jersey. The newest ATM at Royal Bank of Scotland allows customers to withdraw cash up to £100 without a card by inputting a six-digit code requested through their smartphones.

1.4 ATM in Bangladesh:

Standard Chartered Bank first established ATM in Bangladesh in 1994. It was established at Khulna division. This ATM was installed and maintained by LEADS Corporation Limited. It was a third Generation Cash Dispenser made by NCR. Dutch Bangla Bank is noted to be the first local bank in Bangladesh to have an automated banking system. This automation took place in 2003. As part of banking reforms that started in July 2004, the Central Bank of Bangladesh (CBB) in their quest to improve bank services, achieve cashless economy and decongest the banking halls, mandated commercial banks operating in Bangladesh to install Automated Teller Machines (ATMs) in the bank premises and other strategic locations to serve their customers. Consequent upon this, Fanawopo (2006) and Olatokun & Igbinedoin, (2009) stated that the Bangladesh's debit card transactions rose by 93 percent between January 2005 and March 2006 over previous years owing to aggressive roll



out initiatives by the Bangladeshi banks, powered by interswitch network. Today in Bangladesh, most of the private commercial banks are providing ATM support for their clients. And some of the banks are also making inter-collaboration between them to use other bank's ATM booths. Dutch Bangla Bank has the largest ATM network in the country. Earlier the use of ATM in Bangladesh was limited to urban cities only. Most of the ATMs were installed in Dhaka, Chittagong and Sylhet city. But the scenario is changing gradually. Faster growing ATM system in almost all the private commercial banks even in state owned commercial banks tells us the present scenario that how much ATM service has popularized in the recent few years. Now-a-days, using ATM cards or debit and credit cards have become an absolute necessity for the people of major cities of Bangladesh. The scenario is same for business personnel, service holders, students or common people. A number of Bangladeshi banks have established a good number of ATMs throughout the country. The demand is still increasing.

1.5 How ATM works?

On most ATMs, the customer is identified by inserting a plastic ATM card with a magnetic stripe or a plastic smart card number and some security information such as an expiration date. Those who are entitled for ATM card, bank has provided them a password against every single card. If people insert their own card in ATM machine, machine will verify password from the cardholder. After verifying card and password, the option is wide open in the screen. It is a mechanism where people can use different ATM cards. This is like a debit card. Using an ATM, customers can access their bank deposit or credit accounts in order to make a variety of transactions such as cash withdrawals, check balances or credit which is applicable 24 hours a day and 365 days in a year. An ATM is made of CPU (to control the user interface and transaction devices), Magnetic and/or Chip card reader (to identify the customer), PIN Pad (similar in layout to a Touch tone or Calculator keypad), often manufactured as part of a secure enclosure. Secure crypto processor, generally within a secure enclosure. Display (used by the customer for performing the transaction) Function key buttons (usually close to the display) or a Touchscreen (used to select the various aspects of the transaction) Record Printer (to provide the customer with a record of their transaction) Vault (to store the parts of the machinery requiring restricted access) Housing (for aesthetics and to attach signage to) Sensors and Indicators Due to heavier computing demands and the falling price of

Personal Computer-like architectures, ATMs have moved away from custom hardware architectures using microcontrollers and/or application-specific integrated circuits to adopting the hardware architecture of a Personal Computer, such as, USB connections for peripherals, Ethernet and IP communications, and use personal computer operating systems. Although it is undoubtedly cheaper to use commercial off-the-shelf hardware, it does make ATMs potentially vulnerable to the same sort of problems exhibited by conventional personal computer.

1.6 Objectives of the study:

The introduction of ATM seemed have offered a relief to its customers. However banks are now facing a number of challenges regarding their services of ATM booth. This is a gap. The main objective of the study is to fill this gap by suggesting some consumer viewpoints that the banks should consider before setting up ATM booths. Besides this, the study work of the seminar paper has been undertaking with the following objective views:

- To analyze the nature and scope of the factors that the banks should consider to set up ATM booths.
- To build up an idea about how achievement of these factors are important to ensure the customer satisfaction regarding the service of ATM booths.
- To provide an idea about what facet of services consumers are expecting from ATM booths.
- To analyze consumer attitudes towards ATM service of the banks.
- To recommend based on the findings.

2. Review of the literature:

The main purpose of the emergence of ATM booth was to provide better banking services to the customers. To learn of the factors that the consumers expect the bank should consider to set up ATM booths, the most beneficiary source is the deep analysis of the information from books, journal, newspaper, article or personal research on the relevant issues. For the purpose any kind of research or study data are mainly collected from two sources. They are primary and secondary sources. For our study regarding the topic, "Consumers' Perceptions toward ATM booths: A study on Bangladesh" this study took information from various journals, newspaper, articles, books and websites as a source of secondary data. By asking question to the users of ATM booth about



what facet of service they expect the banks should consider to set up ATM booths we collected information for primary data. With a view to provide a clear idea about the factors we have added several tables, graphs and figures.

All banks and financial institution want to grab a large number of clients and customers as well as to maintain a long term relationship with them for the purpose of maximizing profit. Because customers are the main source of profit for any bank or financial institution. In order to obtain customer satisfaction and a long term relationship with them ATMs are one of the most popular modern banking services. Yavas, Benkenstein & Stuhldreier (2004) argued that, "customers' focused ATM delivery system that fulfills their needs and maximize operational performance are essential dimensions of bank ATMs to achieve and sustain competitive advantage". Dilijonas, Kriksciunien, Sakalauskas & Simutis (2009) examined the essential aspects of ATM service quality. They identified essential resources (adequate number of ATMs, convenient and secure location and user-friendly system); important dimensions of operation of ATM (maximum speed, minimum errors, high uptime, cash backup); and value-based aspects (quality service at reasonable cost, and maximum offering to cover maximum needs of customers) as vital facets. Based on prior studies, Al-Hawari & Ward (2006) compiled a list of five major items about ATM service quality that include convenient and secured locations, functions of ATM, adequate number of machines and user-friendliness of the systems and procedures. An empirical study found that these items constitute important aspects of ATM service quality. On the satisfaction level of ATM card holders of a leading bank (HBSC) in Bangladesh, Islam, Kumar & Biswas (2005) found significant relationship of ATM service quality with customers' satisfaction. The study identified that location, personnel response, quality of currency notes, promptness of card delivery and performance of ATM were positively and significantly related to customer' satisfaction. The security, frequent breakdown of machine, and insufficient number of ATM were major contributors to customers' dissatisfaction. In another study in Bangladesh, Shamsuddoha, Chowdhury & Ahsan (2005) found that 24 hours service, accuracy, and convenient locations were the main predictors of customer satisfaction. The study also indicated lack of privacy in executing the transaction, fear of safety and complexity of the machine were the major cause of concern for the customers. Joseph and Stone (2003), through focus group study in the United States, found that easy

access to location, user-friendly ATM, and security are important factors that influence majority of bank customers' perception of ATM service quality. Singh and Komal (2009) argued that there is direct relation between fee charged and customer satisfaction. Fee charged by the banks is one of the variables taken for checking customer satisfaction level. If customer feels that the fee charged by the bank is reasonable then he is satisfied and vice-versa. Howcroft (1991) noted that dissatisfaction among customers is associated with frequent interruptions and breakdown of ATMs. Researchers contend that service quality has a direct link with customer satisfaction (Parasuraman, Zeithaml & Berry, 1988; Olu, 2010). Strong evidence exists in the literature about customers' satisfaction from ATM services (Leblanc, 1990).

So the literature finds a large number of studies that point out a number of consumer viewpoints that the bank should consider to set up ATM booths. Such as- convenient and secured location, security regarding transaction and PIN, low service charge, availability of IT and logistic support, 24 hour service, cash back up service etc.

2.1 Consumer demand:

Today's world is very much service oriented in every sector. Same situation prevails in banking sector. Those which bank can provide better service than others that bank will be well ahead of competition because of getting better competitive advantage than other competitors. Up to date banking has incredible tools to stimulate and give confidence to their customers. Electronic cash or plastic card is one of that such product which help the customer to prompt thinking and can able to get cash any time within the 24 hours schedule in a day. This service is known as ATM service. In order to their ATM services much more effective and up to date banks are establishing a number of ATM booths throughout the world. But only setting up ATM booth is not enough. Consumer wants a number of service from ATM. Banks should consider those factors before setting up an ATM booth. As the main purpose of ATM booth is providing banking service to its customer at any time and place, bank should focus on a number of consumer view points before establishing an ATM booths. These factors are provided below:

2.2 Security concept:

Security means the state of being free from danger or threat. Security concept is one of the most important consumer viewpoint. Consumers want enough transaction security while using an ATM



booth. Besides transaction security consumer also want enough security guard and CC camera, safety from card fraud, card trapping or card skimming. So, before setting up an ATM booth bank must ensure enough security to its customer. Because if there are lacking in the ATM's security concern, the customer may suffer from various fraudulent and other security issues such as-

- The ATM machine may be the common purchase point (CPP) where analysis shows that a significant number of credit cards or debit cards were used genuinely in one specific location prior to detection of subsequent fraudulent transaction. Even when not the CPP, automated teller machine may be the mechanism used to convert compromised credit cards and debit cards into hard cash, so long as the credit card fraud and or debit card fraud included compromise of the personal identification number (PIN).
- There may be card trapping that is trapping the consumer's cash and preventing from being presented or delivered to consumers.
- There may be transaction reversal that involve highly skilled manipulation of the ATM during a transaction with the result that the host computer believes that the consumer did not receive their cash and thus re-credit or reverse the transaction
- There may be ATM deposit fraud which includes both cash deposit fraud and cheque fraud. Where banks have a culture of crediting and allowing drawings against the deposit prior to manual reconciliation and verification
- ATM hacking is another issue that threatens the security by credit card trapping and debit card trapping at ATMs.
- Another security threat is ATM fund transfer fraud which involves criminal tricking victims into using the automated teller machine to transfer money into the criminal account.
- If the place where the ATM is situated is a criminal hotspot, customers feels insecure in creating transaction at that ATM. The bank also may be suffered due to physical attacks against the ATM security enclosure.
- If ATM booths are situated in a place prevailing vulnerable political instabilities customer may feel insecure.

Therefore, before establishing an ATM booth a bank must consider the following matters to ensure enough security for its customers:

- Enough internal security to save customers and bank from ATM fraudulent issues.
- Enough transactional secrecy and integrity
- Ensure customer identity integrity to prevent fraud by man-in-the-middle-attack where criminals have attached fake keypads or card readers to existing machines. These have then been used to record customers' PINs and bank card information in order to gain unauthorized access to their accounts.
- Ensure safe and secured device operation integrity
- Enough security and privacy to save the ATM from hackers.
- PIN validation, management and algorithmic checking.
- PIN validation for local and interchange transaction.
- Effective hardware security module.
- Enough authentication and data integrity.
- Check if the area is crime hot-spot.

2.3 Commercially important place:

ATM booths should be established at commercially important place. ATM booths are most important at commercial areas as it facilitates transaction. A Commercial area is real-estate intended to use by for-profit business, such as office complexes, shopping malls, service stations and restaurants. This type of places fall somewhere between residential and industrial area. Commercial area is used for commercial activities like buying and selling, financial establishment and wide variety of services that are broadly classified as business. Even though this commercial activities use only small amount of land, they are extremely important to a community's economy. They provide jobs and bring money into the community. For example, Tejgoan Commercial area, Dhaka; Rughanj Commercial area, Narayanganj. As in commercial place there is a huge amount of transaction daily ATM booths can help people in transaction. Establishing ATM booth at commercial place also facilitates the bank's business. It ensure maximum profit for the bank.

2.4 Availability of IT and logistic support:

Before setting up ATM booths banks must ensure if there is enough availability of information communication technology and logistic support. Because if there is lack of technological support



ATMs may fail to fulfill their purposes. Automated teller machine is a fully technology driven banking instrument.

Generally, we can see that for running an ATM booth technological support is an imminent imperative. With the migration to commodity Personal Computer hardware, standard commercial "off-the-shelf" operating systems, and programming environments are used inside of ATMs. There is a computer industry security view that general public desktop operating systems (os) have greater risks as operating systems for cash dispensing machines than other types of operating systems like (secure) real-time operating systems (RTOS). RISKS Digest has many articles about cash machine operating system vulnerabilities. For providing enough security to its customers there should be enough CC camera. There should be enough technological and technical support to prevent card trapping or card hacking. In general, ATMs are placed not only near or inside the premises of banks, but also in locations such as shopping centers/malls, airports, grocery stores, petrol/gas stations, restaurants, or anywhere frequented by large numbers of people. There are two types of ATM installations: on- and off-premises. On-premises ATMs are typically more advanced, multi-function machines that complement a bank branch's capabilities, and are thus more expensive. Off-premises machines are deployed by financial institutions and Independent Sales Organizations (ISOs) where there is a simple need for cash, so they are generally cheaper single function devices. In the U.S., Canada and some Gulf countries, banks often have drive-thru lanes providing access to ATMs using an automobile. Enough IT support in ATMs can ensure security and best service for its customer. . In recent times, countries like India and some countries in Africa are installing ATM's in rural areas which are solar powered and do not require air conditioning. So, technological support is an imminent imperative to set up ATM booth. Technological and technical support is important for providing quick service to customers. If there is lack of technological support, customer may face problems in getting quick cash. Enough technological support is also important for ATM's improved network capacity. How can Banks extend their reach so all banking services are available to consumers wherever they happen to live is an important question for banks that has so far gone unanswered. Branches and ATMs have always, by economic necessity, been located in populated areas. It's a particular issue in the developing world with efforts to include more people in mainstream

financial services, but it's also a problem in developed markets.

More than ever we have a range of ways for consumers to interact with their bank.

Mobile is also key part of this discussion. "Because rural residents may have to travel longer distances to visit financial institutions compared to urban consumers, mobile banking services may be particularly convenient," notes the Federal Reserve in a recent study.

Mobile, and online banking generally, has two advantages: it is available 24 hours a day and saves customers a trip to the bank. In many rural areas where there are no broadband lines, mobile is often more reliable than online.

Yet, in the US at least, rural residents are less likely than their urban peers to use mobile banking, despite its clear advantages, the Fed report found.

This could be due to a range of factors, such as wide demographic differences.

US bank customers may be used to (and willing to) travel to their branch. If you're in town anyway to shop for groceries it's not a great hardship to visit the bank at the same time. Patterns of consumer habits need to be understood – some folks just don't want to use mobile banking no matter how many of their concerns are dealt with. Fifty-nine percent of those who do not use mobile banking said they had "no interest in performing any mobile banking activities even if their concerns were addressed," the Fed report explained.

While mobile banking is important, it's just one part of the jigsaw puzzle. Banks cannot simply foist mobile or online as the answer to branch closures, especially for some of the most important transactions.

Technological support is also important in serving rural customers' needs. ATMs with video teller technology are a good example. While it may not be financially viable for a branch to exist in a small town, banks can deliver a full range of services via an ATM kiosk that enables customers to speak face-to-face with tellers to carry out even the most complex transactions such as agreeing a mortgage.

2.5 Convenient location:

Most ATMs are situated at the bank premise. But it is not enough. Most of the customers do not find enough ATMs. Relating to customer's needs there is an immense scarcity of ATM booth. ATMs should be placed not only near or inside the premises of banks, but also in locations such as shopping centers/malls, airports, grocery stores,



petrol/gas stations, restaurants, or anywhere frequented by large numbers of people. There are two types of ATM installations: on- and off-premises. Now-a-days banks are establishing ATMs at remote places. People of village or technologically unimproved places are getting modern banking facilities through ATMs. On-premises ATMs are typically more advanced, multi-function machines that complement a bank branch's capabilities, and are thus more expensive. Off-premises machines are deployed by financial institutions and Independent Sales Organizations (ISOs) where there is a simple need for cash, so they are generally cheaper single function devices. In Canada, ATMs (also known there as ABMs) not operated by a financial institution are known as "white-label-ABMs". In the U.S., Canada and some Gulf countries, banks often have drive-thru lanes providing access to ATMs using an automobile. Many ATMs have a sign above them, indicating the name of the bank or organization owning the ATM and possibly including the list of ATM networks to which that machine is connected. . In Bangladesh, most of the ATMs are situated at the major cities like Dhaka, Chittagong, Rajshahi and Sylhet. Rural people cannot get enough ATM facilities. It is also seen in urban areas there are frequent existence of ATM booths. We can also find a number of ATM booth in the same area whereas there is no ATM in rural areas.

ATMs should also be established at places like railway station, bus station, and educational institutions. In recent times, countries like India and some countries in Africa are installing ATM's in rural areas which are solar powered and do not require air conditioning. Banks should increase the number of ATM booths and they should select place which is frequented by all. ATM means neither "avoids traveling with money" nor "any time money," but certainly implies both. Main reason behind the emergence of ATM was to enable people to withdraw or deposit money at anywhere at any time. For the fulfillment of these purpose the most important requirement is to set up ATM at booth places which are frequented by people. As well as a good number of ATM booth is also required to meet up the consumer needs.

2.6 Low service charge:

Service charge for using ATM is another important variable that effects customer's satisfaction level. Most of the people thinks the charge of providing ATM card is high. Bank should think of providing ATM card in lower charge. Sawalqa (2012) argued that banks should not charge their customers" any fees against their usage of ATMs. This is because

banks use their customers' cash balances in its credit facilities which create credit interest for banks in general. Accordingly, banks should either decrease or should not charge any cost and fee regarding ATM services. Sing and Komal (2009) found that fee charged by the banks is one the variables taken for checking customer satisfaction level. If customer feels that the fee charged by the bank is reasonable then he is satisfied and vice-versa. However, it can be argued that ATMs reduce the costs of servicing some customer demands using bank' counters (Massoud, Saunders & Scholnick, 2006; Mcandrews, 2003). So, while establishing ATM booth banks should think of the ways how they can provide quality service to its customers in a low cost.

3. Methodology of the study:

3.1 Research design:

The research design of this paper is both exploratory and descriptive. Exploratory research means initial research into a hypothetical or theoretical idea to gather preliminary information. As a part of exploratory research, we have studied the nature and scope of different consumer viewpoints that the banks should consider to set up ATM booths. Descriptive research is used to describe the characteristics of a population being studied. We have conducted survey on the opinion of people regarding the establishment factors of ATM booths as a part of descriptive study.

3.2 Sources of data:

In this paper data are collected from both primary and secondary sources.

Primary data:

We collected primary data by asking questions to the users of ATM booths of several banks for transaction.

Secondary data:

The secondary data for this paper are collected from: Various journal and newspaper, Books and articles, Various websites from internet

3.3 Population of the study:

All users of ATM booths are the population of this study

3.4 Sample size:

Considering the time limit, we have taken only 120 users of ATM booths for collecting data and the respondent were selected randomly from the users of ATM booths of the Sylhet city.



3.5 Questionnaire design:

The questionnaire begins with some introductory questions such as, name, age, occupation, education, income level and address. These questions provide the basic information about the respondents. These types of questions make respondents comfortable to respond to the study. There are about 20 questions in the questionnaire. Responses were sought regarding customers preference viewpoints. The respondents were asked

the questions to determine their expectations from ATM booth. From their responses it has been determined what types of service they want from ATM booth. It has also been clarified what factors the bank should consider prior to set up ATM booth regarding customer services

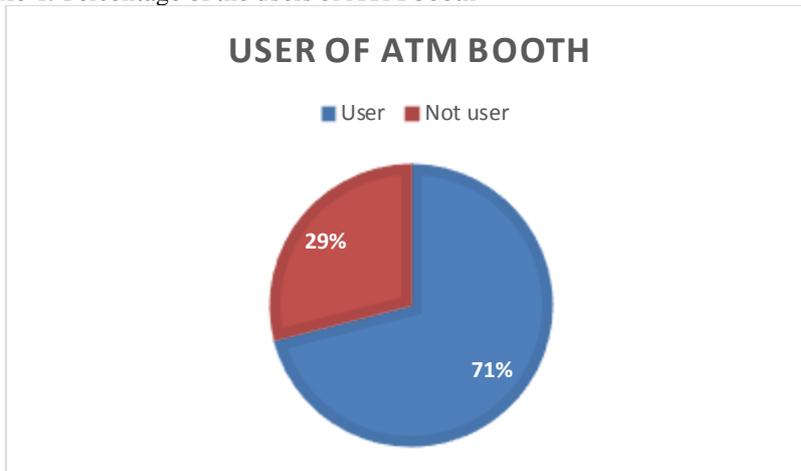
3.6 Data collection & analysis:

In this chapter we represent the collected primary data from the customers. Here we have shown both tabular and graphical presentation of the data.

4. Results:

4.1 Users of ATM booth:

Figure 1: Percentage of the users of ATM booth

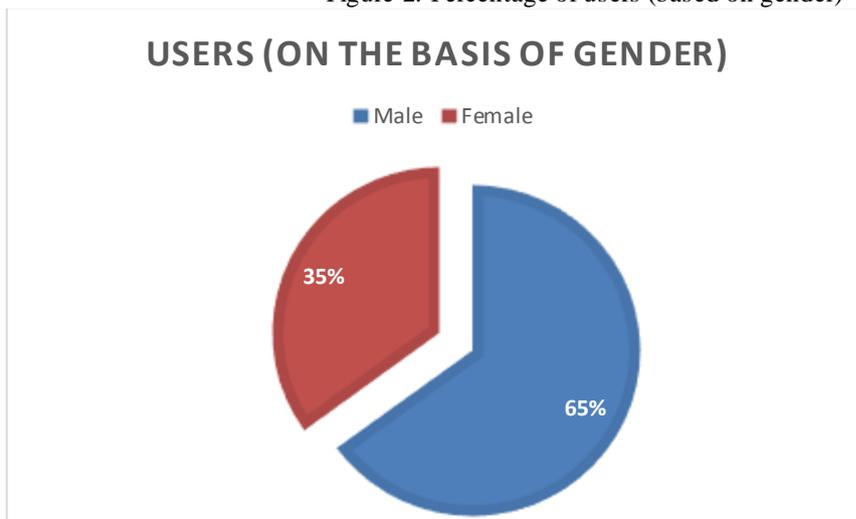


Source: Survey data

Figure- shows that 71% respondents had the experience of using ATM both.

4.2 Gender of the respondents:

Figure 2: Percentage of users (based on gender)



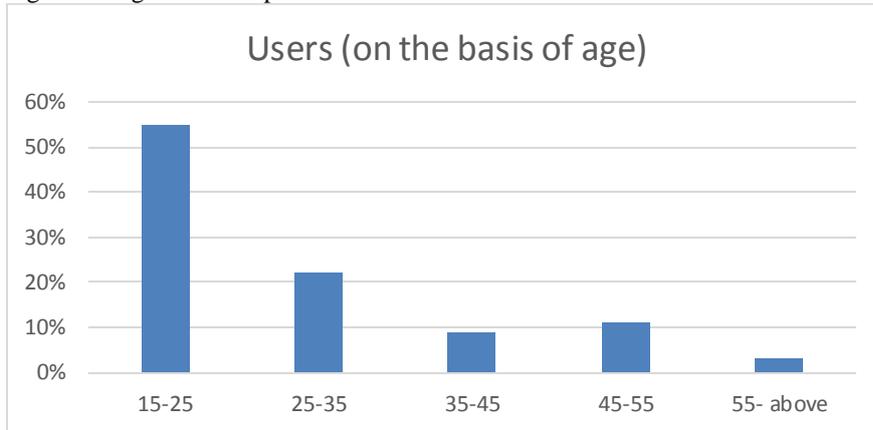
Source: Survey data

Figure-2, shows that among the users, maximum respondents were male (65%)



4.3 Age of the respondents:

Figure 3: Age of the respondents

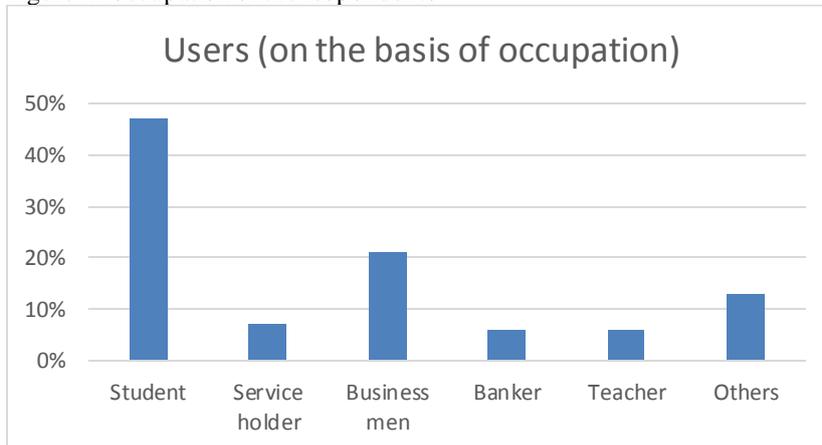


Source: Survey data

Figure 3, shows that among the users, maximum respondents were between 15-35 age category.

4.4 Occupation of the respondents:

Figure 4: occupation of the respondents

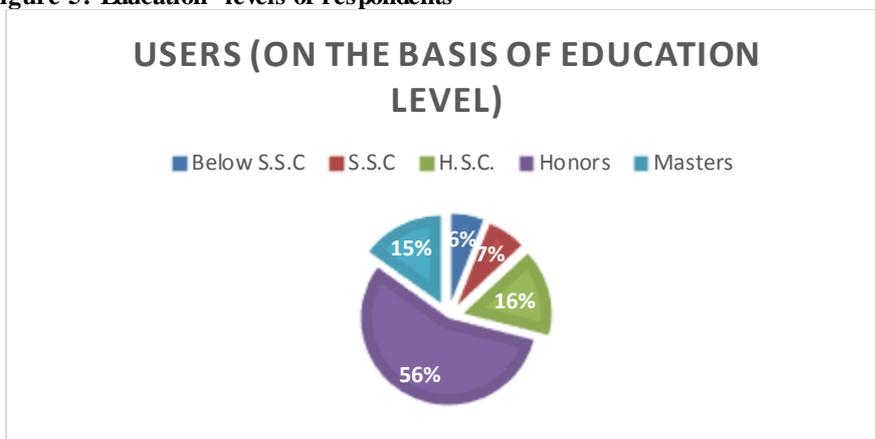


Source: Survey data

Figure 4 shows that the more than 45% respondents were students and 20% were businessmen.

4.5 Education levels of the respondents:

Figure-5: Education levels of respondents



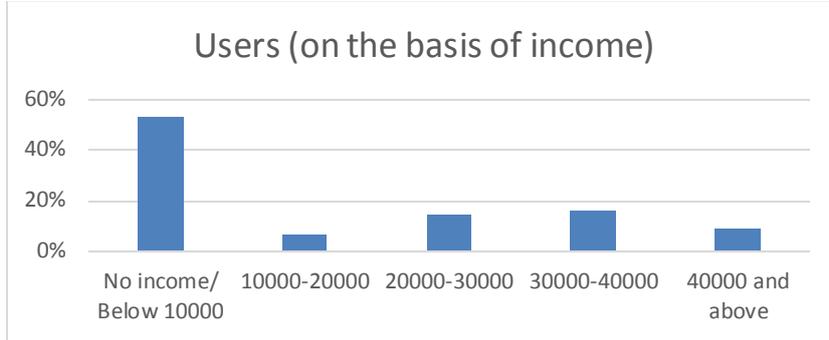
Source: Survey Data

Figure 5, shows that maximum respondents educational levels were undergraduate level.



4.6 Income levels of the respondents:

Figure-6: Income levels of the respondents:



Source: Survey data

Figure 6, shows that the 52% respondents income were less than 10000 and 18% were 30000-40000 income group.

4.7 Reason of using ATM booth:

Table 1: Reasons for using ATM booth

Reasons	No. of users	Percentage
Secured transaction	8	9%
Saves cost	13	15%
Availability of 24 hours	20	24%
Saves time	19	23%
Easy to use	14	16%
All the facilities	11	13%
Total	85	100%

Source: Survey data

Table 1 shows that reason of using ATM services were time saving, easy to use and availability of 24 hours services.

4.8 How do people use ATM booth:

Table 2: How do people use ATM booth

	No. of users	Percentage
Debit Card	57	67%
Credit card	11	13%
Mobile device	17	20%
Total	85	100%

Source: Survey data

Table 2, shows that maximum responded used ATM both through Debit card (67%).

4.9 Consumers opinion regarding the security of ATM booth:

Table 3: Consumer opinion regarding the security issue of ATM booth

	Secured transaction		Privacy of information		Card trapping or hacking	
	No. of users	Percentage	No. of users	Percentage	No. of users	Percentage
Strongly disagree	0	0%	1	1%	1	1%
Disagree	19	22%	17	20%	22	26%
Neutral	11	13%	19	22%	32	38%
Agree	48	56%	41	48%	26	30%
Strongly agree	7	9%	7	9%	4	5%
Total	85	100%	85	100%	85	100%

Source: Survey data

Table 3, shows that the 56% agreed about secured transaction, 48% privacy of information, but in case of card hacking 38 % were neutral.



**4.10 Consumer opinion regarding convenient place:**

Table 4: Consumer opinion regarding importance of convenient place in setting up ATM booth

	Availability of Convenient ATM		Importance of convenient place		Convenient place and customer satisfaction	
	No. of users	Percentage	No. of users	Percentage	No. of users	Percentage
Strongly disagree	2	2%	0	0%	0	0%
Disagree	31	36%	0	0%	0	0%
Neutral	8	10%	3	4%	3	4%
Agree	34	40%	46	54%	42	49%
Strongly agree	10	12%	36	42%	40	47%
	85	100%	85	100%	85	100%

Source: Survey data

Table 4, shows that maximum consumers' agreed (54%) that the ATM both are in convenient place.

4.11 Consumer opinion regarding availability of ATM booth at 24/7:

Table 5: Consumer opinion regarding availability of ATM booth at 24/7

	No. of users	Percentage
Strongly disagree	2	3%
Disagree	20	24%
Neutral	11	13%
Agree	44	51%
Strongly agree	8	9%
Total	85	100%

Source: Survey data

Table 5, shows that maximum respondents agreed (51%) that the ATM both provides 24/7 services.

4.12 Consumer opinion regarding service charge of ATM booth:

Table 6: Consumer opinion regarding service charge of ATM booth

	No. of user	Percentage
Very low	7	8%
Low	15	17%
Average	43	51%
High	20	24%
Very high	0	0%
Total	85	100%

Source: Survey data

Table 6, shows that 51% respondents agreed that service charge of ATM booth were reasonable.

4.13 Consumer opinion regarding transaction speed of ATM:

Table 7: Consumer opinion regarding transaction speed of ATM

	No. of users	Percentage
Very low	0	0%
Low	16	19%
Average	38	45%
High	23	27%
Very high	8	9%
Total	85	100%

Source: Survey data

Table 7, shows that 45 % respondents said that the transaction speed of ATM were average.

5. Findings:

We had assumed that the key informants should be interviewed in the form of questionnaire in order to assess first track information. So we prepared

questionnaire, which is given in the last part of this report. After analyzing all the data & opinions, we came to know some important information.



In our study, we took information from 120 people. From them 85 (71%) people use ATM booth and 35(29%) people do not use ATM booth. Most of the users are young aged between 15 to 25 (55%)

Most of the users are student (47%). The second majority are businesspersons (21%) As in our study, we found most of the users are student either they have no income level or below 10000 (53%). Both higher and lower educated people use ATM booth for transaction. Most of the users use ATM booth for transaction because of its availability of 24 hours (24%) and to save time (23%) 67% people use ATM booth through debit card. 56% of the users think ATM booth provide enough security. 22% users are not satisfied with the security 20% users believes ATM cannot provide enough privacy of information. However, 57% people believes ATM can provide enough privacy of information. 30% users believe there exists frequent occurrence of card trapping or ATM hacking. 38% users do not ATM at convenient place. That is the number of ATM is not enough. Almost all consumers (96%) believes ATM booth should be at convenient location. Almost all consumers (96%) believes that if ATM are situated at convenient location it will generate greater customer satisfaction. 24% consumers do not find ATM available at 24hours a day. 21% consumers find the function of ATM complex. However, 52% consumers do not find it complex. Almost all consumers (94%) believes commercially important place is necessary to set up ATM booth. 82% consumers believe setting up ATM booth at commercially important place will influence the buying behavior of the people. 79% consumers believe setting up ATM booth commercially important place will improve sales and marketing performance. 84% people have faced technical problem in using ATM booth. 78% consumers have found ATM run out of cash during transaction. 24% consumers think the service charge of ATM is high. 19% consumers have found the transaction speed of ATM is low.

6. Recommendation:

ATM booths now a days provide more or less quality service. But to improve the condition of their service they should focus on some aspects.

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Following are some thoughtful recommendation that the bank should follow in setting up ATM booth:

- 22% consumers are not satisfied with existing security of ATM booth. 20% are not satisfied with existing privacy of ATM. 30% faced card trapping or hacking. So, prior to set up ATM booth bank should first ensure enough security.
- Banks should establish ATM at convenient place. As well as the number of ATM booth should be increased.
- Prior to set up ATM booth banks should choose commercially important place.
- The complexity of the function of ATM should be reduced.
- 26% consumers faces problem in sending money through ATM booth. Prior to set up ATM booth bank should consider this factor.
- Before setting up ATM booth. Bank should ensure enough technical and technological support. Bank should consider the service charge of ATM. It should be reduced.
- Transaction speed of ATM should be increased.
- Bank should ensure enough cash at ATM.

Conclusion:

The rapid diffusion of ICT in the banking sector provides a platform to use innovative technologies to enhance operational efficiency and quality of service to attain and retain customers. The rapid growth in use of ATMs in throughout the world offers opportunities to banks to use customers' passion for this innovative service for strategic advantage. Bank should focus on important aspects of security and privacy as well as reliability of ATMs prior to set up ATM booth. Banks should also augment and diversify their offerings through ATM and use this medium to build a strong and sustained relationship with customers. Security, convenient location, availability of 24 hours, technical and technological support is the main factors that banks should ensure prior to set up ATM booths. ATMs will be able to fulfill its purpose, if banks can ensure all these factors.



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