

A STUDY ON SURVEY OF BANK ACCOUNTS AND INTEREST RATES

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ABSTRACT

The banking and financial services industry plays a major role in economic development by mobilizing savings, providing financial services, and promoting investment activities. Bank accounts and interest rates are among the most important components of financial systems because they directly influence customer savings behavior, investment decisions, borrowing patterns, and overall financial planning.

This study focuses on conducting a survey on bank accounts and interest rates with special reference to **Bajaj Finance**, one of India's leading non-banking financial institutions. The project analyzes customer awareness regarding different types of bank accounts, interest rate structures, savings behavior, digital banking trends, and customer preferences related to financial products and services.

The study also evaluates recent developments during **2023–2025**, including digital banking transformation, rising fintech adoption, RBI monetary policy changes, digital savings systems, online banking services, and interest rate fluctuations affecting customer financial decisions.

Primary data has been collected through questionnaires and discussions with customers, banking professionals, and finance employees. Secondary data has been collected from RBI reports, Bajaj Finance reports, banking journals, financial websites, and industry publications.

Recent trends indicate:

- Increased customer preference for digital banking
- Growth in online savings accounts
- Rising awareness of interest rate fluctuations
- Increased use of mobile banking applications
- Higher focus on financial literacy and savings management

The findings reveal that interest rates significantly influence customer investment and savings decisions. Customers increasingly prefer banking institutions that provide better digital services, attractive interest rates, flexible banking facilities, and convenient financial products.

1.1 INTRODUCTION

1.1.1 Introduction to Banking System

The banking system plays a vital role in the economic development of a country by mobilizing savings, providing financial services, facilitating investments, and supporting business and industrial growth.

Banks act as financial intermediaries between depositors and borrowers. They accept deposits from customers and provide loans, advances, and various financial services.

Modern banking systems provide services such as:

- Savings accounts
- Current accounts
- Fixed deposits
- Loan facilities
- Online banking
- Digital payment services

The banking sector has undergone rapid transformation due to technological advancement, digital banking adoption, and financial innovation.

1.1.2 Meaning of Bank Accounts

A bank account is a financial account maintained by a bank or financial institution for customers to deposit, withdraw, and manage funds securely.

Bank accounts are essential for:

- Savings management
- Financial transactions
- Digital payments

- Investment planning

1.1.3 Types of Bank Accounts

1. Savings Account

Used for personal savings and interest earnings.

2. Current Account

Designed for businesses and frequent transactions.

3. Fixed Deposit Account

Provides higher interest rates for fixed investment periods.

4. Recurring Deposit Account

Allows regular monthly savings with interest benefits.

1.1.4 Importance of Bank Accounts

Bank accounts are important because they:

- Promote financial inclusion
- Encourage savings habits
- Facilitate secure transactions
- Support digital banking systems
- Improve financial planning

rest rates on financial behavior.

Tools of Analysis

- Percentage analysis
- Comparative analysis
- Tabular interpretation

Latest Trends Included (2023–2025)

- Digital banking growth
- Online savings systems
- AI-based customer services
- Mobile banking expansion
- Interest rate fluctuations

Hypothesis

H₀: Interest rates do not significantly influence customer banking preferences.

H₁: Interest rates significantly influence customer banking preferences.

1.2 LIMITATIONS OF THE STUDY

Major Limitations

- Limited sample size
- Dependence on customer responses
- Dynamic interest rate changes
- Limited access to confidential financial data

CHAPTER 2:

REVIEW OF LITERATURE

2.1 INTRODUCTION

The review of literature provides detailed understanding of previous studies related to banking systems, customer financial behavior, interest rates, savings management, and digital banking adoption.

Researchers emphasize that customer awareness regarding bank accounts and interest rates significantly influences savings patterns, investment decisions, and financial planning behavior.

Recent studies (2023–2025) highlight the growing role of digital banking systems, fintech platforms, AI-based customer services, and online investment systems in transforming banking behavior.

2.2 THEORETICAL FRAMEWORK

2.2.1 Financial Intermediation Theory

Banks act as intermediaries between savers and borrowers.

2.2.2 Savings Behavior Theory

Interest rates influence customer savings decisions.

2.2.3 Consumer Behavior Theory

Customer preferences affect banking product adoption.

2.2.4 Monetary Policy Theory

RBI interest rate decisions influence financial markets.

CHAPTER 3: INTRODUCTION

The banking and financial services industry is one of the most important sectors contributing to economic development, capital formation, financial inclusion, and investment growth. The

sector plays a major role in mobilizing public savings and providing financial products and services to individuals, businesses, and industries.

Bank accounts and interest rates are fundamental elements of financial systems because they influence savings patterns, investment behavior, borrowing decisions, and overall financial planning. With rapid technological advancements and digital banking transformation, customers now have access to multiple financial products and digital investment options.

This chapter provides a detailed overview of the Indian banking and financial services industry, customer banking behavior, interest rate systems, and the company profile of Bajaj Finance.

3.1 INDUSTRY PROFILE: INDIAN BANKING & FINANCIAL SERVICES INDUSTRY

3.1.1 Overview of Banking Industry

The Indian banking industry is one of the largest and fastest-growing financial systems globally. It includes:

- Public sector banks
- Private sector banks
- Foreign banks
- Cooperative banks
- Non-Banking Financial Companies (NBFCs)
- Fintech financial institutions

The banking industry supports economic growth by mobilizing savings, extending credit facilities, and promoting investment activities.

3.1.2 Importance of Banking Industry

The banking sector contributes significantly to:

- Economic development
- Financial inclusion
- Capital formation

- Employment generation
- Industrial growth

Banks provide secure financial systems and support digital financial infrastructure.

3.1.3 Growth of Financial Services Industry (2023–2025)

3.2 COMPANY PROFILE: BAJAJ FINANCE

3.2.1 Introduction to Bajaj Finance

Bajaj Finance Limited is one of India's leading Non-Banking Financial Companies (NBFCs) providing diversified financial products and services to retail and corporate customers.

The company provides:

- Consumer finance
- Personal loans
- Fixed deposits
- Digital financial products
- Investment services

Bajaj Finance is recognized for technological innovation and customer-focused financial services.

3.2.2 History and Growth

Bajaj Finance has achieved rapid growth through:

- Expansion of digital financial services
- Strong customer base
- Technological advancement
- Product diversification

The company has become one of the most trusted NBFCs in India.

3.2.3 Vision and Mission

Vision

To become a globally respected financial services organization providing innovative and customer-centric solutions.

Mission

- Deliver quality financial products
- Improve customer satisfaction
- Promote financial inclusion
- Enhance digital financial services

3.2.4 Organizational Structure

The organizational structure includes:

- Finance Department
- Digital Banking Division
- Customer Service Division
- Investment and Lending Operations
- Risk Management Division

CHAPTER 4:

DATA ANALYSIS & INTERPRETATION

4.1 INTRODUCTION

Data analysis and interpretation form the most important analytical component of the research study because they help evaluate customer awareness, banking behavior, savings patterns, and the influence of interest rates on financial decisions.

This chapter analyzes customer responses collected through surveys regarding:

- Types of bank accounts preferred
- Awareness of interest rates

- Savings behavior
- Digital banking adoption
- Investment preferences
- Customer satisfaction with banking services

The data has been analyzed using percentage analysis, comparative analysis, and tabular interpretation methods.

4.2 TYPES OF BANK ACCOUNTS PREFERRED BY CUSTOMERS

Table 4.1: Customer Preference for Bank Accounts

Type of Account	Respondents Percentage	
Savings Account	45	45%
Current Account	20	20%
Fixed Deposit Account	25	25%
Recurring Deposit Account	10	10%

Interpretation

Savings accounts are the most preferred banking product because they provide liquidity, safety, and moderate interest returns.

Fixed deposit accounts are also preferred because customers seek stable returns and secure investment options.

CHAPTER 5:

FINDINGS,SUGGESTIONS,

CONCLUSION & BIBLIOGRAPHY

1.1 FINDINGS OF THE STUDY

The findings of the study are based on the detailed analysis of customer awareness regarding bank accounts, interest rates, savings behavior, digital banking adoption, and investment preferences with special reference to Bajaj Finance.

One of the major findings is that savings accounts remain the most preferred type of bank account among customers because they provide liquidity, security, and easy accessibility for day-to-day financial transactions.

The study also reveals that fixed deposit accounts are highly preferred by customers seeking secure investment options and guaranteed returns. Customers perceive fixed deposits as safe and low-risk investment instruments suitable for long-term financial planning.

Another important finding is that interest rates significantly influence customer savings and investment decisions. Customers actively compare interest rates before selecting financial products such as savings accounts, fixed deposits, recurring deposits, and investment schemes.

The analysis indicates that financial literacy and awareness regarding banking products improved considerably during the period 2023–2025 due to digital banking growth, online financial education, and increasing use of fintech applications.

A significant finding is that digital banking services experienced rapid customer adoption. Mobile banking applications, internet banking, and UPI services became widely used because of convenience, speed, and accessibility.

The study further reveals that younger customers prefer digital banking systems, while middle-aged and senior customers continue to prefer traditional savings instruments such as fixed deposits and recurring deposits.

Another important observation is that RBI interest rate revisions directly influence customer financial behavior. Higher interest rates encourage savings and fixed deposit investments, while lower interest rates encourage borrowing and spending activities.

The analysis also shows that customers prioritize safety and security while selecting financial institutions. Trust, brand reputation, and financial stability are major factors influencing customer banking preferences.

The study indicates that Bajaj Finance successfully adopted digital financial systems and customer-centric financial products, improving customer satisfaction and accessibility to investment services.

Another major finding is that customers increasingly prefer institutions offering digital investment platforms and online banking facilities because these systems simplify account management and financial transactions.

The study also highlights that customer satisfaction levels regarding digital financial services remain high due to:

- Faster financial transactions
- User-friendly mobile applications
- Convenient online account management
- Digital investment facilities
- Improved customer service systems

However, the study also identifies several challenges faced by customers and financial institutions, including:

- Interest rate fluctuations
- Inflation reducing real returns
- Cybersecurity concerns
- Lack of financial awareness among some customers
- Digital fraud risks

The findings suggest that customer awareness regarding banking and financial products is improving steadily, and digital transformation is significantly changing customer financial behavior.

Overall, the study concludes that bank accounts and interest rates continue to play a major role in influencing customer savings habits, investment decisions, and financial planning activities.

1.2 SUGGESTIONS AND RECOMMENDATIONS

Based on the findings of the study, several suggestions are proposed to improve customer awareness, banking services, digital accessibility, and interest rate management practices at Bajaj Finance and similar financial institutions.

One of the primary recommendations is that financial institutions should continue improving financial literacy and awareness programs to educate customers regarding:

- Types of bank accounts
- Interest rate calculations
- Savings and investment options
- Digital banking usage
- Financial planning techniques

The study also suggests that Bajaj Finance should strengthen its digital banking infrastructure to provide faster, safer, and more efficient online financial services.

Another important recommendation is to improve customer awareness regarding interest rate fluctuations and RBI monetary policies because many customers lack detailed understanding of how economic changes affect savings and investment returns.

The company should also focus on enhancing cybersecurity systems and digital fraud prevention mechanisms to protect customer information and improve trust in digital financial services.

The study recommends that Bajaj Finance should introduce more customer-centric savings and investment products with flexible tenure options and competitive interest rates.

Another important suggestion is to improve customer relationship management systems by providing personalized financial advice, digital support services, and investment guidance.

Financial institutions should also focus on improving mobile banking applications and online investment platforms to ensure better user experience and accessibility.

The study further suggests that Bajaj Finance should strengthen digital customer support systems through AI-based chat support, automated customer service, and real-time transaction assistance.

Another recommendation is to increase awareness regarding long-term investment planning among younger customers because many individuals focus primarily on short-term financial transactions.

The company should also provide special financial products for senior citizens, offering higher interest rates and simplified banking services to improve customer satisfaction.

The study recommends improving digital transaction security systems by implementing:

- Multi-factor authentication
- AI-based fraud detection systems
- Secure payment gateways
- Real-time transaction monitoring systems

Financial institutions should continuously monitor market conditions and customer financial behavior to develop effective interest rate strategies and customer-oriented financial products.

The study also suggests that RBI and financial institutions should jointly promote financial inclusion initiatives to improve banking accessibility among rural and underserved populations.

Finally, maintaining a balance between profitability, customer satisfaction, and competitive interest rates is essential for sustainable growth in the financial services industry.

1.3 CONCLUSION

The study on “Survey on Bank Accounts and Interest Rates” with reference to Bajaj Finance provides a comprehensive understanding of customer banking behavior, savings patterns, digital banking adoption, and the influence of interest rates on financial decisions.

Bank accounts and interest rates are among the most important components of financial systems because they directly affect customer savings habits, investment behavior, and overall financial planning activities.

The findings of the study indicate that customers increasingly prefer savings-oriented banking products such as savings accounts and fixed deposits because of security, liquidity, and guaranteed returns.

The study also highlights that interest rates significantly influence customer investment decisions and savings behavior. RBI monetary policy changes directly affect customer financial

planning and investment preferences.

Another major observation is the rapid transformation of banking systems through digital technologies. Mobile banking applications, internet banking, and digital investment platforms have improved customer convenience, financial accessibility, and operational efficiency.

The analysis further reveals that financial literacy and awareness regarding banking products improved significantly during the period 2023–2025 due to technological advancement and digital financial education initiatives