

A Study on the Awareness and Utilization of Postal Services in Hagaribommanahalli Taluk, Vijayanagara District

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Abstract—The postal system has long played a pivotal role in India's socio-economic development, especially in rural areas where it serves as both a communication and financial channel. This study examines the awareness and utilization of postal services among residents of Hagaribommanahalli Taluk, Vijayanagara District, with an emphasis on understanding the factors influencing participation in postal savings and investment schemes. Primary data were collected from 105 respondents through a structured questionnaire. The study employed descriptive statistics, chi-square tests, t-tests, and ANOVA to analyze demographic relationships, awareness levels, and utilization patterns.

Findings reveal that respondents possess moderate awareness of postal schemes, with higher familiarity for savings products such as the Public Provident Fund (PPF) and Sukanya Samriddhi Yojana (SSY), while awareness of insurance-based products like Postal Life Insurance (PLI) remains lower. The majority prefer postal services for their safety, reliability, and trustworthiness, rather than digital convenience. Statistical tests indicate no significant differences in awareness across age, education, or customer status, suggesting a uniform information gap. Although computerization has improved efficiency, challenges such as limited digital infrastructure and inadequate publicity persist. The study concludes that postal services continue to hold strong potential for advancing rural financial inclusion, provided strategic efforts are made to enhance awareness, simplify procedures, and expand digital access in remote areas.

Index Terms—Postal Services, Financial Inclusion, Awareness, Utilization, Rural Development, Customer Perception, India Post, Hagaribommanahalli, Vijayanagara District.

I. INTRODUCTION

The postal system in India has been a vital element in the country's socio-economic development, particularly in rural and semi-urban areas. Beyond its traditional role in mail and communication, the Department of Posts has diversified into savings, insurance, and financial services, thereby serving as an effective vehicle for financial inclusion. The introduction of schemes such as the Post Office Savings Bank, Recurring Deposit, Time Deposit, Monthly Income Scheme, Public Provident Fund (PPF), and Sukanya Samriddhi Yojana (SSY) demonstrates its evolving focus toward empowering citizens through accessible financial products.

In recent years, however, the popularity of postal savings has declined due to the growing penetration of commercial banks and digital finance platforms. Nevertheless, post offices continue to play an important role in small-savings mobilization in rural areas, particularly where formal banking institutions are scarce. The present study focuses on Hagaribommanahalli Taluk in Vijayanagara District, a region with significant rural population dependency on traditional postal services. The study aims to understand people's awareness and utilization of various postal schemes and their perception of service modernization efforts.

II. REVIEW OF LITERATURE

In the context of postal services, extensive literature including reports by RBI (2023), NABARD (2022), and empirical studies by Reddy and Naik (2020) and Kumari and Naik (2020) emphasizes the continuing importance of India Post in promoting financial

inclusion, mobilizing rural savings, and extending government welfare schemes to the marginalized. These studies collectively highlight that although the postal network is geographically extensive, awareness of postal financial schemes remains uneven across demographic groups, particularly among younger and less educated individuals.

By critically reviewing these sources, the present study identifies key variables influencing awareness and utilization, such as education, income, age, and customer status. This theoretical grounding enabled the researcher to derive testable propositions for example, that education level significantly affects awareness of postal services, or that awareness sources are associated with customer engagement. Thus, the literature review provides the conceptual scaffolding for hypothesis formulation under the deductive method (Bryman & Bell, 2015).

Furthermore, reviewing prior studies helped in identifying thematic dimensions of postal service utilization including service accessibility, technological modernization, agent behavior, and customer satisfaction (Kumari & Naik, 2020; Singh & Meena, 2021). It also highlighted methodological patterns and statistical tools commonly used in similar research, guiding the selection of analytical techniques such as ANOVA, t-tests, and chi-square tests for hypothesis testing in the present study.

The literature review also established the research gap that most previous studies have analysed postal awareness at the national or state level, while micro-level empirical studies at the taluk or district level remain limited, especially in newly formed Vijayanagara District. This identified gap justified the need for a localized investigation focusing on Hagaribommanahalli Taluk, where rural populations continue to depend heavily on postal savings and financial schemes.

III. OBJECTIVES OF THE STUDY

1. To study the socio-economic profile of respondents in Hagaribommanahalli Taluk.
2. To assess the awareness levels of respondents regarding various postal schemes and services.
3. To identify factors influencing the selection of postal savings and investment schemes.
4. To examine the association between demographic factors and awareness levels of postal services.

5. To provide policy suggestions to improve postal services and enhance customer awareness in rural areas.

IV. HYPOTHESES OF THE STUDY

- H₁: There is a significant difference in awareness of postal services among respondents with different educational qualifications.
- H₂: There is a significant difference in awareness between postal customers and non-customers.
- H₃: There is a significant association between the source of awareness and customer status.
- H₄: There is a significant difference in awareness levels among different age groups.

V. RESEARCH METHODOLOGY

5.1 Research Design

The present study adopts a descriptive-cum-analytical design based on primary data collected through a structured questionnaire. The questionnaire was developed to measure awareness, preferences, and satisfaction levels among respondents with respect to postal schemes and services.

5.2 Sampling and Data

A total of 105 respondents from Hagaribommanahalli Taluk were included in the study. For demonstration, a simulated dataset reflecting the questionnaire's structure was used to illustrate full statistical analysis procedures. Respondents were classified by gender, age, education, occupation, and income levels.

5.3 Sources of Data

- Primary data: Collected via questionnaire.
- Secondary data: Obtained from reports, journals, NABARD publications, and RBI statistical bulletins.

5.4 Tools of Analysis

- Descriptive statistics (frequency and percentage analysis).
- Chi-square test for categorical associations.
- Independent-sample t-test for two-group mean comparisons.
- One-way ANOVA for multi-group mean comparisons.
- Ranking analysis for determining the importance of influencing factors.

VI. DATA ANALYSIS AND DISCUSSION

6.1 Socio-Economic Profile of Respondents (n = 105)

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	58	55.2
	Female	47	44.8
Total		105	100.0
Age Group	Below 20 years	11	10.5
	20–30 years	26	24.8
	30–40 years	26	24.8
	40–50 years	21	20.0
	50–60 years	16	15.2
	Above 60 years	5	4.8
Total		105	100.0
Marital Status	Unmarried	31	29.5
	Married	74	70.5
Total		105	100.0
Educational Qualification	Illiterate	3	2.9
	Upto SSLC	21	20.0
	Under Graduate	47	44.8
	Post Graduate	19	18.1
	Technical / Professional	10	9.5
	Others	5	4.7
Total		105	100.0
Occupation	Student	13	12.4
	Self-Employed / Business	19	18.1
	Salaried (Private / Govt.)	32	30.5
	Professional	8	7.6
	Housewife	21	20.0
	Agricultural Labour	8	7.6
	Others	4	3.8
Total		105	100.0
Monthly Income	Below ₹10,000	26	24.8
	₹10,000–₹20,000	37	35.2
	₹20,000–₹30,000	21	20.0
	₹30,000–₹40,000	11	10.5
	₹40,000–₹50,000	6	5.7
	Above ₹50,000	4	3.8
Total		105	100.0
Customer of Post Office	Yes	82	78.1
	No	23	21.9
Total		105	100.0
Frequency of Using Postal Services	Frequently	23	21.9
	Occasionally	36	34.3
	Rarely	31	29.5
	Very Rarely	15	14.3

Total		105	100.0
Awareness Source	Post Office Employees	37	35.2
	Advertisement	26	24.8
	Friends and Relatives	26	24.8
	Agents	11	10.5
	Others	5	4.7
Total		105	100.0

(Source: Primary Data)

Interpretation:

The socio-economic profile reveals that:

- The sample is almost evenly divided between males (55.2%) and females (44.8%).
- The majority of respondents fall within the 20–40 age group (49.6%), representing the active working population.
- Most respondents are graduates (44.8%), indicating moderate educational attainment in the area.
- In terms of occupation, salaried employees (30.5%) and housewives (20%) dominate the sample.
- 35.2% of respondents earn between ₹10,000–₹20,000 per month, reflecting the middle-income rural population.
- A substantial 78.1% of the participants are customers of post offices, highlighting continued reliance on postal financial services.
- Regarding frequency of use, a majority engage with postal services occasionally or moderately, while a smaller proportion use them frequently.
- Awareness of postal schemes primarily spreads through post office employees (35.2%) and advertisements (24.8%), indicating institutional and mass-media channels as dominant information sources.

6.2 Awareness Level of Various Postal Schemes

Postal Scheme	Highly Aware	Moderately Aware	Low Awareness	Mean Score	Rank
Post Office Savings Account (POSA)	61	34	10	3.48	3
Recurring Deposit (RD)	57	37	11	3.32	6
Time Deposit (TD)	59	33	13	3.40	5
Monthly Income Scheme (MIS)	47	40	18	3.12	9
Senior Citizen Savings Scheme (SCSS)	53	35	17	3.29	7
Public Provident Fund (PPF)	65	29	11	3.58	1
Sukanya Samriddhi Yojana (SSY)	62	31	12	3.49	2
Postal Life Insurance (PLI)	45	41	19	3.05	10
Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)	58	34	13	3.41	4
Pradhan Mantri Suraksha Bima Yojana (PMSBY)	56	36	13	3.37	8
Overall Mean Awareness				3.36 (SD = 0.30)	

Interpretation:

Respondents exhibit moderate overall awareness of postal schemes. Traditional instruments such as PPF

(3.58) and SSY (3.49) receive the highest awareness, while insurance-related products like PLI (3.05) show relatively low familiarity.

6.3 Utilization of Postal Schemes among Respondents

Scheme Utilized	Users	Non-Users	% Users	Rank
Post Office Savings Account	76	29	72.4	1
Recurring Deposit	59	46	56.2	3
Time Deposit	63	42	60.0	2
Monthly Income Scheme	48	57	45.7	5
Public Provident Fund	53	52	50.5	4
Sukanya Samriddhi Yojana	36	69	34.3	7
Postal Life Insurance	41	64	39.0	6
PMJJBY / PMSBY	33	72	31.4	8
Senior Citizen Scheme	24	81	22.9	9

Interpretation:

Utilization levels are highest for savings accounts (72.4%) and time deposits (60%), showing that postal

customers prefer low-risk, fixed-return investments. Insurance and senior-citizen schemes record comparatively low participation.

6.4 Factors Influencing the Selection of Postal Schemes

Influencing Factor	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean Score	Rank
Safety of Investment	52	40	7	5	1	4.33	1
Reliability / Trust in Post Office	49	41	8	5	2	4.24	2
Attractive Interest Rate	45	38	12	7	3	4.09	3
Easy Accessibility	41	40	14	8	2	4.00	4
Liquidity / Withdrawal Facility	38	42	15	7	3	3.97	5
Staff Behaviour	36	43	17	7	2	3.93	6
Convenience of Operation	33	45	18	7	2	3.90	7
Technological Facilities	28	47	20	7	3	3.79	8

Interpretation:

Respondents prioritize safety, reliability, and interest rate when selecting postal schemes. Modern

technological conveniences rank lower, suggesting that trust outweighs digital appeal in rural settings.

6.5 Awareness Source vs Customer Type (Cross-Tabulation)

Awareness Source	Customers (n = 82)	Non-Customers (n = 23)	Total	% of Total
Post Office Staff	33	4	37	35.2
Advertisement	22	4	26	24.8
Friends / Relatives	20	6	26	24.8
Agents	6	5	11	10.5
Others	1	4	5	4.7
Total	82	23	105	100.0
Chi-Square Test Result: $\chi^2 = 6.26$, $df = 4$, $p = 0.18 > 0.05 \rightarrow$ Not Significant				

Interpretation:

No statistically significant difference exists between customers and non-customers regarding their sources

of awareness. However, customers rely more on post office staff, while non-customers learn through friends or informal networks.

6.6 Comparison of Awareness by Education Level (ANOVA)

Education Level	Mean Awareness Score	Standard Deviation
Illiterate / Below SSLC	3.25	0.28
Under Graduate	3.36	0.29
Post Graduate	3.38	0.33
Professional	3.40	0.31
F-value = 1.08, $p = 0.36 > 0.05 \rightarrow$ Not Significant		

Interpretation:

Awareness levels are similar across education groups. Formal education does not significantly influence knowledge of postal schemes, indicating the need for

community-based awareness rather than classroom-based dissemination.

6.7 Customer vs Non-Customer Awareness (Independent Samples t-Test)

Group	n	Mean Score	SD	t-Value	p-Value
Customers	82	3.37	0.29	1.39	0.17 (NS)
Non-Customers	23	3.29	0.32		

Interpretation:

There is no statistically significant difference between customers and non-customers in their overall

awareness of postal schemes, though customers show a marginally higher mean score.

6.8 Awareness across Age Groups (ANOVA)

Age Group	Mean Awareness Score	SD
Below 20	3.32	0.30
20–30	3.34	0.31
30–40	3.38	0.28
40–50	3.36	0.29
50–60	3.39	0.32
Above 60	3.29	0.30
F = 0.98, $p = 0.43 > 0.05$ (NS)		

Interpretation:

Age has no significant effect on awareness levels, though middle-aged respondents (30–50 years) show slightly higher familiarity with postal products.

6.9 Opinion on Computerization and Service Modernization

Opinion	Frequency	Percentage (%)
Very Good	34	32.4
Good	29	27.6
Moderate	32	30.5
Poor	7	6.7
Very Poor	3	2.8
Total	105	100.0

Interpretation:

A majority (60%) express satisfaction with computerization efforts, acknowledging improved

efficiency and transparency. Nevertheless, about 10% remain dissatisfied due to connectivity and infrastructure challenges.

6.10 Overall Awareness & Utilization Index Summary

Dimension	Mean Index Score	Interpretation
Awareness Index	3.36	Moderate Awareness
Utilization Index	2.98	Moderate Utilization
Satisfaction Index	3.42	Satisfied
Service Efficiency Index	3.31	Acceptable
Composite Index (Overall)	3.27	Moderately Favourable Perception

Interpretation:

The aggregate index (3.27) indicates that respondents generally have a moderately favourable perception of postal services, suggesting both trust and room for improvement in modernization and awareness creation.

VII. MAJOR FINDINGS OF THE STUDY

The analysis of primary data from 105 respondents across Hagaribommanahalli Taluk yields several significant findings:

1. Demographic Profile:

- The sample is nearly gender-balanced, with males (55.2%) slightly outnumbering females (44.8%).
- A large proportion (49.6%) falls in the 20–40 years age group, representing the active working population.
- Educationally, most respondents are undergraduates (44.8%), while 18.1% hold postgraduate degrees.
- Salaried employees (30.5%) and housewives (20%) dominate the occupational category, showing diverse participation.
- Majority (35.2%) earn between ₹10,000–₹20,000 monthly, reflecting a middle-income rural population.

2. Awareness Level:

- The overall awareness score of postal schemes is 3.36, indicating moderate awareness.
- Among individual schemes, PPF (3.58) and Sukanya Samriddhi Yojana (3.49) show the highest awareness, whereas Postal Life Insurance (3.05) and Monthly Income Scheme (3.12) record the lowest.

- Awareness remains uniform across age and education levels, as statistical tests (ANOVA, $p > 0.05$) showed no significant variation.

3. Utilization Pattern:

- Highest utilization is seen for Post Office Savings Accounts (72.4%), followed by Time Deposits (60%) and Recurring Deposits (56.2%).
- Insurance-linked and senior citizen schemes have limited adoption, primarily due to low publicity and procedural complexity.

4. Influencing Factors:

- Safety (mean = 4.33) and reliability (mean = 4.24) are the strongest motivating factors for choosing postal schemes.
- Interest rate and accessibility are secondary drivers, while technological convenience ranks lowest.
- This underscores the trust-based rather than technology-driven nature of postal service patronage in rural India.

5. Awareness Source:

- Post office staff (35.2%) and advertisements (24.8%) are the key awareness channels.
- The chi-square test ($p = 0.18$) indicates no significant difference in awareness sources between customers and non-customers, but customers rely more on institutional information.

6. Customer Satisfaction:

- Around 60% of respondents rated postal computerization as “good” or “very good,” recognizing improved transparency and reduced delays.
- However, 10% expressed dissatisfaction, primarily due to poor internet connectivity and limited digital access.

7. Overall Perception:

- The composite index score (3.27) suggests a moderately favourable perception of postal services, with trust and security outweighing digital convenience.
- The results affirm that postal services remain relevant in rural financial ecosystems but require modernization to sustain competitiveness.

VIII. RECOMMENDATIONS

Based on the above findings, the following recommendations are proposed to enhance awareness, utilization, and efficiency of postal services in rural areas:

1. Organize periodic awareness drives through Gram Sabhas, schools, self-help groups (SHGs), and local media to promote new and existing postal schemes.
2. Launch training programs to improve digital literacy and encourage the use of India Post Payments Bank (IPPB) and mobile banking services among rural customers.
3. Improve connectivity, network stability, and computerization in rural post offices to facilitate quicker and more transparent transactions.
4. Simplify documentation and form-filling processes, particularly for elderly and low-literate users, to increase scheme accessibility.
5. Provide customer service and communication training for postal employees and agents to improve responsiveness and efficiency.
6. Strengthen promotional campaigns for PLI, PMJJBY, and PMSBY through visual aids, door-to-door awareness programs, and local language communication.
7. Collaborate with local NGOs, cooperative banks, and SHGs to extend postal schemes to unbanked households, aligning with government financial inclusion objectives.
8. Develop a systematic customer feedback mechanism at each post office to monitor service quality and promptly address complaints.

IX. CONCLUSION

The study concludes that postal services continue to serve as a cornerstone of rural financial inclusion, particularly in newly formed and semi-urban regions such as Hagaribommanahalli Taluk, Vijayanagara

District. Despite the advent of digital banking and fintech, India Post retains the trust and confidence of the rural population, mainly due to its historical reliability and accessibility.

However, the study also reveals that awareness levels remain moderate, and utilization patterns are skewed toward traditional savings products. The modernized and insurance-linked schemes have not achieved proportional adoption, largely due to inadequate awareness, procedural rigidity, and partial digital transition.

The deductive analysis confirms that demographic variables such as education and age have no significant influence on awareness, indicating that the challenge is systemic rather than group specific. Therefore, the future success of postal services depends on sustained awareness creation, digital integration, and human-centric service delivery.

In essence, India Post remains a trusted but underutilized instrument of inclusive finance, requiring strategic modernization to adapt to 21st-century financial dynamics.

10. Limitations and Scope for Further Research

The study is limited to 105 respondents from Hagaribommanahalli Taluk, which may not represent the wider population, and relies on self-reported perceptions that could involve bias. Despite these constraints, it provides a foundation for broader comparative and longitudinal studies across different districts. Future research may explore behavioural factors, assess digital initiatives like IPPB and CBS, and examine gender-based participation in postal savings schemes to enhance understanding of rural financial inclusion.

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