

**Research Article**

## **DISCUSSING THE INFLUENCE OF POS DEVICES ON ATTRACTION OF REFAH BANK'S RESOURCES FOR INCREASING THE SHARE FROM THE COMPETITIVE MARKET BETWEEN BANKS**

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### **ABSTRACT**

The purpose of the present research is to investigate the influence of POS devices on attraction of Refah bank's resources for increasing the share from the competitive market between banks in Refah bank branches of West Azerbaijan province. The research is of survey and comparative type. The population includes every store which uses Refah bank's POS device which was announced as 13405 individuals by the central branch of Refah bank. Through the Cochran's formula, the sample size was calculated as 374 individuals based on a simple random sampling method. Data collection was undertaken through researcher made questionnaires with reliability of 0.882. Also for the purpose of data analysis via SPSS software relative to measurement at descriptive level the descriptive statistics were used and in terms of explanatory level, the one sample t-test was performed. Test results of the main hypothesis indicates that ease of use and facilitation of accessing Refah bank's POS devices are important elements of banking resources tooling. Also all of the subsidiary hypotheses are approved at 0.05. The results have also shown that costumers have more tendencies towards using Refah bank's POS devices compared to other banks and the difference was also significant.

**Keywords:** *POS Devices, Banking Resources Tooling, Competitive Market, Refah Bank*

### **INTRODUCTION**

During the past few years, in parallel to accelerated growth of information technology and development of communication networks, banks have also started their move towards providing electronic banking services. Services such as ATM machines, telephone banking, SMS banking, credit cards, debit cards, POS devices, internet banking and etc. are among services which are provided by banks (Mokhtarian *et al.*, 2013).

Tooling of resources has always been the most important task of banking systems. Banks collect the surplus fees and perform their traditional task of mediating between investors and loan receivers via providing loans for demanders. Among banks activities, attraction of financial resources is highly important, because success in this context could lead to success in other contexts as well. Attraction of financial resources for every bank is related to both internal and external organizational elements, therefore recognition of these elements and the level of influence of each element are crucial for obtaining success in this context (Karimzadeh *et al.*, 2012). Nowadays, besides competition between private and governmental bank groups, founding new private banks and financial institutions as well as development of activity range of credit institutions have persuaded participants to compete each other in terms of attracting financial resources (Razani, 2004). There have been several researches regarding effective elements on attracting bank's financial resources. For an instance, results of research conducted by Daei *et al.*, (2012) indicated that all five elements (service, physical, communicational and humane, financial and organizational affiliation) were influential in terms of tooling of resources in Refah Bank's branches. Also Khazra (2007) conducted a research and revealed that elements of information and communication technology, skills of bank employees, quality and the variety of banking services, customer satisfaction and desirability of internal environment and location of branches are important tools which are being used for an optimized attraction of monetary resources.

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In today's world, attraction of financial resources is important for banks to the extent that it has led to an extreme competition in this context. One of the major facts of providing new services is to gain people's trust and also to encourage them to use POS devices. Results of research undertaken by Fotoohi *et al.*, (2014) suggested that the security of POS devices had the most significant effect on customers' satisfaction and furthermore, its low cost had the most significant relation with customer satisfaction. The point of interest is that the responsiveness of POS device had the least significant relation with customer satisfaction which requires more investigations. Also authorities can have a better performance in terms of attracting customers' satisfaction from POS devices through handling complaints and solving customers' problems. In a research, Mokhtarian *et al.*, (2013) discussed the behavior of customers towards implementing POS devices. Results of their research showed that there is a significant positive relation between number of devices and customers' repeated purchases and also there is a negative relation between the element of inadequate dispersion, disruption of connection with the server, lack of recognition of card by the device and customers' repeated purchases. Also the results of research conducted by Fotoohi *et al.*, (2013) indicated that the security of implementing POS devices had the most significant effect on entrepreneurs' electronic satisfaction. On the other hand, trust has the most significant effect on entrepreneurs' electronic satisfaction. In addition, the results indicated that banks are able to have a significant share in increasing the entrepreneurs' electronic satisfaction by increasing the number of POS devices. During the past few years, new contexts have emerged for an increased attraction of banking resources and faster and better service providing for customers. On this basis, it is necessary to investigate effective dimensions and elements on attraction of banking resources through POS devices in order to make a better use of these resources.

## MATERIALS AND METHODS

### Methods

The research method of the present study in terms of purpose is applicable and in terms of data collection method, it is a survey research. Studied population includes the entire stores of West Azerbaijan province which use POS devices which are counted as 13405 stores. For calculation of sample size, the Cochran formula was used and through this formula, the sample size was determined as 374 individuals. For data collection, a researcher made questionnaire was used and in order to measure the reliability of the questionnaire, the Cronbach's alpha was used. The aforementioned coefficient was calculated as 0.882 which indicates a desirable reliability of the questionnaire. For analysis of research hypotheses, the one sample t –test and independent t tests were applied.

## RESULTS AND DISCUSSION

### Results

#### Descriptive Statistics

In this section, research variables are expressed in terms of descriptive statistics from questions which are brought for evaluation of each index in each research hypotheses.

**Table 1: Descriptive statistics related to research variables**

Variable statistic	Ease of access to POS devices	Quality of POS device	Backup services	Methods of service in implementing POS	Preaching the culture of using POS devices
number	374	374	374	374	374
mean	17/954	15/187	50/852	83/994	13/625
median	18	16	51	84	14
mode	20	17	51	89	14
Standard deviation	4/168	3/548	8/223	13/524	3/335
variance	17/379	12/592	67/627	182/922	11/122

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### Testing the Normality of Data

**Table 2: Results of one sample Smirnov-Kolmogorov test towards normal distribution**

	Methods of service in implementing POS	Backup services	Quality of POS device	Ease of access to POS devices	Preaching the culture of using POS devices
Smirnov-Kolmogorov	0/814	0/582	0/614	0/840	0/599
Significance level	0/722	0/754	0/681	0/440	0/684

In this research the non-parametric test of Smirnov-Kolmogorov is used for normal distribution. With respect to table 2 it can be seen that the calculated significance level in two-way test is more than 0.5 for all research variables. As a result, the normality of all research variables is approved at assurance level of 95 percent. Therefore, with respect to the parametric state of variables, distance scale tests should be used and in this research a one sample t-test is used.

#### Inferential Statistics

Main hypothesis: it seems that POS device' methods of service providing are effective in attraction of financial resources of Refah bank in West Azerbaijan.

**Table 3: t-test for methods of service providing by POS devices**

Test Value = 55					
Significance level	Freedom degree	t-test	mean	Number of input	
0/000	373	41/459	83/994	374	POS devices' service providing methods

As you can see in table 3, significance level of the test is calculated as 0.000 and is significant at 0.05. It means that the research hypothesis is approved and the hypothesis H<sub>0</sub> is denied. As a result, as you can perceive from the calculated mean, the obtained mean is larger than comparable mean (55) and this, in turn shows the positive effects of POS devices' methods of service providing. Therefore, the main research hypothesis is accepted with respect to previously provided information.

Hypothesis 1: ease of access to POS device by customers is effective in attraction of financial resources of Refah bank in West Azerbaijan.

**Table 4: t-test for ease of access to POS devices**

Test Value = 12.5					
Significance level	Freedom degree	t-test	mean	Number of input	
0/000	373	25304	17954	374	Ease of access to POS devices

As you can see in table 4, significance level of the test is calculated as 0.000 and is significant at 0.05. It means that the research hypothesis is approved and the hypothesis H<sub>0</sub> is denied. As a result, as you can perceive from the calculated mean (17.954), the obtained mean is larger than comparable mean (12.5) and this, in turn shows the ease of access to POS devices by customers in West Azerbaijan province. Therefore, the first research hypothesis is accepted with respect to previously provided information.

Hypothesis 2: adequate quality of POS devices is effective in attraction of financial resources of Refah bank in West Azerbaijan.

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**Table 5: t-test for quality of POS devices**

Test Value = 10						
Significance level	Freedom degree	t-test	mean	Number of input		
0000	373	28269	15187	374	Quality of devices	POS

As you can see in table 5, significance level of the test is calculated as 0.000 and is significant at 0.05. It means that the research hypothesis is approved and the hypothesis H0 is denied. As a result, as you can perceive from the calculated mean (15.187), the obtained mean is larger than comparable mean (10) and this, in turn shows the adequate quality of POS devices in West Azerbaijan province. Therefore, the second research hypothesis is accepted with respect to previously provided information.

Hypothesis 3: Providing sound backup services for POS devices is effective in attraction of financial resources of Refah bank in West Azerbaijan.

**Table 6: t-test for investigating backup services for POS devices**

Test Value = 32.5						
Significance level	Freedom degree	t-test	mean	Number of input		
0000	373	43160	50852	374	Backup services of POS devices	

As you can see in table 6, significance level of the test is calculated as 0.000 and is significant at 0.05. It means that the research hypothesis is approved and the hypothesis H0 is denied.

As a result, as you can perceive from the calculated mean (50.852), the obtained mean is larger than comparable mean (32.5) and this, in turn shows the adequate backup services for POS devices in West Azerbaijan province. Therefore, the third research hypothesis is accepted with respect to previously provided information.

Hypothesis 4: preaching the culture of desirable implementation of POS devices and other new financial systems is effective in attraction of financial resources of Refah bank in West Azerbaijan.

**Table 7: t-test for investigating the role of preaching the culture desirable implementation of POS devices in attracting bank's financial resources**

Test Value = 10						
Significance level	Freedom degree	T-test	mean	Number of input		
0000	373	17814	13625	374	Culture preaching	

As you can see in table 7, significance level of the test is calculated as 0.000 and is significant at 0.05. It means that the research hypothesis is approved and the hypothesis H0 is denied. As a result, as you can perceive from the calculated mean (13.625) that the obtained mean is larger than comparable mean (10) and this, in turn shows the role of preaching the culture of desirable implementation of POS devices in attracting bank's resources in West Azerbaijan province. Therefore, the fourth research hypothesis is accepted with respect to previously provided information.

Hypothesis 5: implementation of POS devices of Refah banks of West Azerbaijan province is more than other banks.

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**Table 8: t-test for comparing the frequency of implementation of Refah bank's POS devices compared to other banks**

Test Value = 12.5					
Significance level	Freedom degree	t-test	mean	Number of input	
0004	373	17814	13247	374	Implementing Refah bank's POs device compared to other banks

As you can see in table 8, the significance level is calculated as 0.004 and is significant at 0.05. it means that the research hypothesis is accepted and the H0 hypothesis is denied. As a result, as you can see by the calculated mean, the obtained mean (13.247) is larger than the comparable mean (12.5) and this, in turn, shows the high frequency of implementation of Refah bank's POS devices by customers in West Azerbaijan province compared to other banks. As a result, the fifth research hypothesis is accepted with respect to previously provided information.

## Discussion and Conclusion

The purpose of the present research is to investigate the effects of POS devices in attraction of banking resources of Refah bank for increasing its share from the competition market which exists among banks in West Azerbaijan province. Results of analysis of the main hypothesis indicated that methods of providing services by POS devices are effective in attracting financial resources of Refah bank in West Azerbaijan province. On this basis managers of West Azerbaijan Province's Refah banks should take actions towards amplification of services provided by POS devices and obtain success in attraction of financial resources in this way.

Results of analyses of the second hypothesis showed that the adequate quality of POS devices is effective in attraction of financial resources of Refah bank in West Azerbaijan. Findings of this study are in alliance of findings of the research conducted by Mokhtarian *et al.*, (2013) on discussion of customer's behavior in implementing POS devices. Results of research carried out by Mokhtarian *et al.*, also showed that there is a significant positive relation between the number of POS devices and repeated purchases by customers. Also there was a negative relation discovered between device's lack of appropriateness, lack of connection with the server, lack of identification of cards by the POS devices and customer's repeated purchases. In another research, Daei *et al.*, (2012) investigated the effective elements on tooling of banking resources in Refah bank branches of Isfahan province. Their results indicated that the entire service, physical, communicative and humane and financial elements are effective on tooling of resources in Refah bank and their results are in compliance with results of the present study. On this basis, managers of West Azerbaijan's Refah banks should take actions towards amplification of services provided by POS devices and obtain success in attraction of financial resources in this way.

Results of analyses of the third hypothesis indicated that providing sound backup services for POS devices is effective in attraction of financial resources of Refah bank in West Azerbaijan. This finding is in compliance with the findings of other researchers (Daei *et al.*, 2012). On this basis, managers of West Azerbaijan's Refah banks should take actions towards amplification of services provided by POS devices and obtain success in attraction of financial resources in this way. Results of analyses of the fourth hypothesis indicated that preaching the culture of desirable implementation of POS devices and other new financial systems is effective in attraction of financial resources of Refah bank in West Azerbaijan. On this basis, managers of West Azerbaijan's Refah banks should take actions towards amplification of services provided by POS devices and obtain success in attraction of financial resources in this way.

Also the results of analyses of the fifth hypothesis indicated that implementation of POS devices of Refah banks of West Azerbaijan province is more than other banks.

## Suggestions

1- It is suggested to reduce the frequency of unsuccessful transaction issue with respects to its high importance for customers and also acceleration of accomplishing bank transactions.



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- 2- Refah banks are suggested to act faster in terms of delivery of POS devices which in turn, is an important way of attracting banking resources and highly influences the attraction of new customers.
- 3- POS devices are suggested to have more services variability in order to help customers avoid going to bank for receiving services.
- 4- With respect to high transaction speed of POS devices and customer's level of satisfaction, it is suggested to help achieving more satisfaction from these devices through providing more services in addition to subsidiary services.
- 5- Banks are suggested to have faster responses towards servicing broke POS devices in order to inhibit the prolongation of lack of implementing POS devices by customers. This leads to a reduced implication of other devices from other banks.
- 6- Refah bank is suggested to make more advertisements for a more deployed implementation of POS devices by customers and in this regard, customers are also more and better aware of services being provided by the Refah Bank.
- 7- Banks are suggested to provide more desirable services and also there should be 24/h phone lines for maintenance of customer's POS devices so that the customers are able to take action regarding their broke device at any time.

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