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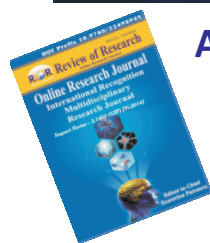
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AN EXPLORATIVE STUDY ON CUSTOMER SATISFACTION FROM EMERGING E-BANKING SERVICES. (WITH REFERENCE TO SBI BANK)



Vandana Sachdeva

Asst. Prof., Dept. of Management Studies, The IIS University, Jaipur.

ABSTRACT

Information technology has given rise to new innovations in banking sector in the form of ATM, Debit and Credit cards, online advisory services, E banking, mobile banking, ECS, RTGS, EFT are value added products and services. Today customer services and customer satisfaction are prime tasks of each bank's. The research paper aims to study the customer satisfaction from emerging online banking services of public sector banks with customer awareness, data security and trust while using various e banking services. Most of the customers utilize electronic banking for their general transactions. Primary data was collected through structured questionnaire from 200 customers of public sector bank. Statistical analyses using spss application and chi square technique is implemented to find out the significant relationship between the demographic variables and customer satisfaction from e-banking services. The finding described that demographic variables significantly gives impact on utilization of e banking services among customers and the level of customer satisfaction varies on the basis of gender, occupation and age. Technological innovation in banking services will increase the awareness about net banking, EFT, Credit card services among customers of public sector bank. The finding shows that if banks provide training program for customers and ensure data privacy, customers are willing to accept e-banking.

KEY WORDS: E-banking, Awareness, Public Sector Bank. Reliability, Customer Satisfaction

INTRODUCTION

1. E-Banking

E-banking is defined as the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels. E-banking includes the systems that enable financial institution, customers or businesses to access online accounts, online transaction or obtain information about banking operations and services with using an internet. Now days nationalized banks more concentrate on the E-banking services and there is competition in between them. Customer satisfaction is one of the vital components of banking business strategies and growth. Now the public sector banks also focusing on customer satisfaction to expand their product line. The customer of nationalized banks also attract towards e-banking services so, this research paper aims to explore the customers satisfaction: E-banking services of nationalized banks. e banking has helps banks to increase customers satisfactions, retain customers, helps to decrease the operation costs .e -banking can improve a bank's efficiency and competitiveness, so that existing and potential customers can benefit from a greater degree of convenience in effecting transactions.

❖ **Reasons of E-Banking Growth:**

- E-Banking is significant in saving of time by the automation of banking services and online processing for bank's customers and employees both.
- Easy and 24 * 7 access without requiring the physical interaction with the bank branch. E-Banking helps to introduce the easy maintenance tools for managing customer's online transactions at low cost.
- E Banking provide better online funds management services through "what-if" analysis on their own place before affecting any transaction on the banks website .

❖ **Challenges in E-Banking**

- New ways of conducting online transactions, new instruments, and new e banking service providers will require legal definition, recognition, and permission.
- Economic factors and lack of knowledge in customers is one of the challenges in implementation and development of e-banking in banks in India.
- There is a need to organize e banking technology awareness drive for customer to meet the customer demand at low –cost with information of regulatory controls is most important issues in the adoption of electronic banking in banks.

2. LITERATURE REVIEW

1. Yang & Ahmed (2009) studied a case study about the major issues and challenges in the development of e-banking industry of a relatively underdeveloped nation. The study explored that in many less developed nations, the application of e-banking can help their local banks to reduce the operating costs and provide a better and fast service to their customers. The research paper examined the current trends and developments in e-banking and provides managerial insights for the banking industry in those underdeveloped nations. The study described an empirical study about the recent trend and development of the application of e-banking in a developing country – Bangladesh, along with its economic impact on local financial institutions.

2. Himani (2011) made an empirical study on the bankers' views regarding e-banking. The study examined bankers' perspectives on e-banking activities, impact of e-banking on banking operations. The study also described the impact of e-banking on relationship between bankers and customers and on overall performance of banks. It also analyzed that the guidance have been provided by the bankers to promote the use of e banking services amongst the customers. Study investigated there must be greater incidence of e banking usage among the middle age men (30 to 50 years of age) and women customers use such services much less frequently.

3. Sumedha & Urvashi (2013) examined that timely adoption of electronic-banking is significant for all banks to secure future business. They investigated that banks were facing extremely intensive competition from non-banking sector, thus they have adopted a more aggressive approach to fight competitors for financial services' market share. The study also evaluated the awareness of e-banking among the customers of SBI and measured the customer satisfaction in e-banking services provided by SBI with the help of the most preferred E-banking service offered by SBI. The study explored that SBI bank today has electronic system to handle their daily voluminous tasks of information, retrieval, storage & processing.

3. Research Problem Statement

- ❖ **Research Question 1 :** whether the customer aware about the various E- Banking services provided by their banks in recent scenario?
- ❖ **Research Question 2:** Is there any relationship between adoption of E Banking Services and Customer Satisfaction?
- ❖ **Research Question3:** Does the customer feel safe about Data Privacy and Security on the bank's website in E banking transactions?

4. OBJECTIVE OF THE STUDY

1. To study benefits and challenges in implementation of e-banking.
2. To study the ATM, Net banking and Mobile banking services that are used by the customers in nationalize banks.
3. To explore the relationship between customers satisfaction and internet banking, mobile banking and credit cards services, NEFT on various dimensions among customers of public sector bank.

5. RESEARCH METHODOLOGY

• Scope Of The Study:

State Bank of India Bank has been selected by the Researcher as a sample for study. Geographical scope of the study is limited to the jaipur Region.

• Sampling design

Simple Random sampling method has been used to collect the data from customers of SBI bank. The collected data from the customers has been organized on the basis of age, gender, qualification and income level.

• Hypothesis: (H0):

There is no significant impact of selected e banking services on customer's satisfaction and

trust.

(H1): There is a significant impact of selected e banking services on customer’s satisfaction and trust.

• **Primary Data:** The research paper aims to study the satisfaction level of customer towards e-banking services in public sector banks in jaipur. Survey method has been used to collect the primary data with the help of structured questionnaire administered to various respondents in jaipur city.

• **Secondary Data:** The secondary data was collected from various published reports of Reserve Bank of India, Ministry of Information Technology (Government of India), State bank of India, referred journals and publications.

• **Study Dimensions:**

Dimensions	Items in scale
Online benefits	5
Customer satisfaction	5
Customer Support Services	5
Reliability	5

• **Data Analysis Tool:**

To explore the relationship between customer satisfaction and E-banking on the basis of various dimensions, different statistical tools like mean, standard deviation, rank analysis have been applied using SPSS analytical application. Rank analysis helps to identify the dimension and item of e banking that gives maximum impact to increase the customer satisfaction with regards to e banking services provided by public sector bank.

6. FINDINGS and DATA ANALYSIS

6.1 Demographic Profile of Customers

Table 1: Parameters	Category	Customer Frq	Customer Percent
GENDER	Male	148	74.00
	Female	52	26.00
	Total	200	100.00
AGE	18-28	27	13.50
	28-38	80	40.00
	38-48	69	34.50
	above 48	24	12.00
	Total	200	100.00
Education	Graduate	43	21.50
	Post Graduate	106	53.00
	Professional	47	23.50
	Other	4	2.00
	Total	200	100.00
Occupation	Salaried	118	59.00
	Professional	39	19.50
	Student	2	1.00
	Business	41	20.50
	Total	200	100.00

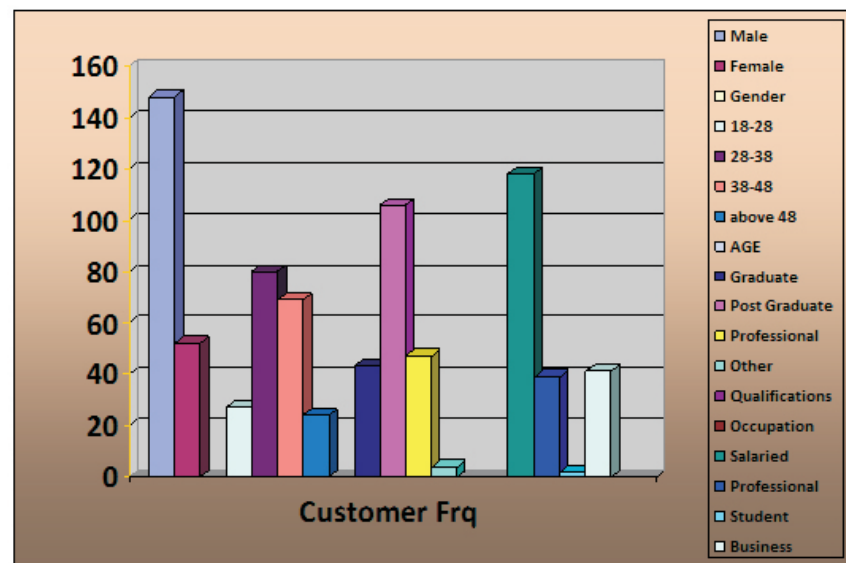


Chart 1: Customers Demographic Profile

Source: Primary Data

Inference:

Above table and charts shows that Males respondent are more than the female respondents, majority of the respondents are in the age group of 28-38 years of age and post graduate and some respondent are professional, earning a monthly income between 2-3 lakh in public sector banks. Salaried respondents and business people are the major proportionate of the sampling unit.

6.2 Time span of using E Banking Services by Respondent's of selected Bank

Table 2 :Parameters	Category	Respondent Frq	Respondent Percent
Frq_Month_online Bal_Enq	over 15 Times/Month	4	2.00
	10-15 times/Month	24	12.00
	6-10 Times /Month	50	25.00
	1-5 times/Month	121	60.50
	Never	1	0.50
	Total	200	100.00
Frq_Month_PrintReq	over 15 Times/Month	0	0.00
	10-15 times/Month	8	4.00
	6-10 Times /Month	42	21.00
	1-5 times/Month	134	67.00
	Never	16	8.00
	Total	200	100.00
Frq_Month_EFT/R TGS/NEFT	over 15 Times/Month	6	3.00
	10-15 times/Month	12	6.00
	6-10 Times /Month	36	18.00
	1-5 times/Month	58	29.00
	Never	88	44.00
	Total	200	100.00

Source: Primary Data

Inference:

The above table and charts depicts that majority of respondents using e banking services for online account balance enquiry with print request in a month 1-5 times, however bill payment e banking services has been used in a month for 6-10 times whereas EFT/RTGS/NEFT services have been used by majority of respondents in a month for 1-5 times, This shows bill payment through online banking services have been utilized more in a month as compare to other e banking services.

6.3 Exploring the Relationship between customer satisfaction and E-banking Services using Cross Tabulation, Mean, Std. Deviation

Table 3:	Online Benefits Statements	Mean	Std. Deviation
O1	Online Investment Advice	3.8350	.96041
O2	Easy & Cost Saving Credit/ Debit Card	4.4950	.63402
O3	Secured Firewall & Encrypted E-banking	4.3000	.50125
O4	Easy Accessible Online Banking	4.3400	.59681
O5	Reduce Branches Queues	3.822	0.96021
Customer Satisfaction Statements			
Cs1	Credit Card Complaints	2.3150	.97495
Cs2	Intemet Banking Complaints	1.7400	.68171
Cs3	Intimation of New E-Banking Products	4.465	0.57435
Cs4	Appropriate Response-OnlineQuery	3.612	0.94021
Cs5	Adequate E-Banking Grievance Settlement	3.64	0.93517

	Customer Support Services		
SS1	Bank's Web Site User Friendly Help	4.3740	.54215
SS2	MobileBanking Online Tech. Support	4.4750	.57535
SS3	InternetBanking Online Tech. Support	4.4450	.52760
SS4	RTGS Online Tech. Support	4.3850	.59035
SS5	Credit Card Online Tech. Support	4.1700	.60242
Reliability Statements			
Re1	Updated E-Banking IT Policy	4.7550	.43117
Re2	Availability of Different Languages	4.2400	.67429
Re 3	Accurate E-Banking	4.6750	.51057
Re4	Responsiveness Increases CustTrust	4.2650	.62186
Re5	Awareness & Training Drives	5.1800	7.18860

Source: Primary Data with SPSS Frq results table

6.4 Descriptive Analysis using Rank Analysis

Table: Rank Analysis of Factors Selected for Study (SBI Bank)

Table 4 Rank Analysis of customer satisfaction for selected e banking services (SBI Bank)											
	S. No.	Name of the factor	(5)	(4)	(3)	(2)	(1)	Total	Weighted Total	Weighted Mean	Rank
Online benefits	O1	Online Investment Advice	58	90	34	12	6	200	782	52.13	5
	O2	Easy & Cost Saving Credit/Debit Card	104	82	14	00	00	200	890	59.33	1
	O3	Secured Firewall & Encrypted E-banking	108	62	26	00	4	200	870	58.00	3
	O4	Easy Accessible Online Banking	74	116	10	00	00	200	864	57.60	4
	O5	Reduce Branches Queues	93	93	10	4	00	200	875	58.33	2
Customer Satisfaction	Cs1	Credit Card Complaints	6	48	62	58	26	200	550	33.67	4
	Cs2	Internet Banking Complaints	00	9	31	102	58	200	391	26.07	5
	Cs3	Intimation of New E-Banking Products	41	137	20	00	2	200	815	54.33	2
	Cs4	Appropriate Response-OnlineQuery	12	42	108	38	00	200	628	41.87	3
	Cs5	Adequate E-Banking Grievance Settlement	117	67	10	6	00	200	895	59.67	1
Customer Support Services	SS1	Bank's Web Site User Friendly Help	99	91	10	00	00	200	889	59.27	1
	SS2	MobileBanking Online Tech. Support	91	89	18	2	00	200	869	57.93	2
	SS3	InternetBanking Online Tech. Support	79	105	16	00	00	200	863	57.53	3
	SS4	RTGS Online Tech. Support	60	107	33	00	00	200	827	55.13	4
	SS5	Credit Card Online Tech. Support	45	103	52	00	00	200	793	52.87	5
Reliability	Re1	Updated E-Banking IT Policy	140	54	6	00	00	200	934	62.27	1
	Re2	Availability of Different Languages	71	115	12	2	00	200	855	57.00	4
	Re3	Accurate E-Banking	118	80	2	00	00	200	916	61.07	3
	Re4	Responsiveness Increases CustTrust	119	79	2	00	00	200	917	61.13	2
	Re5	Awareness & Training Drives	79	84	25	10	2	200	828	55.20	5

Source: Primary Data Collected through Questionnaires

Inference:

Above rank analysis table shows that in online benefits attribute an online investment advice is more used by customers and online banking is easily accessible. The customer satisfaction attribute shows customer having maximum complaints about internet banking and SBI bank provides adequate E-Banking grievance settlement services. The other customer support services attribute shows that a maximum customer gets organized credit card online tech. support. E-banking awareness & training drives and availability of different languages makes e-banking more reliable ,secure among the customers of SBI bank.

7. CONCLUSION

This study states that internet banking services is more popular among customers. Banks

responsiveness will increase the customer trust. On the basis of above analysis it can be conclude that technological development improves the services, competitiveness and customer retention also. E banking in SBI helps to save the processing time and reduce cost of banking operations. E banking helps to decreases the complaints in ATMS, Mobile banking with adequate E-Banking grievance settlement services. In customer support services maximum customers gets organized Credit Card Online Tech. Support. Information technology has improved the banking operations as online balance enquiry, bill payments, credit card information and EFT. So, it can be concluded that there is a significant impact on customer satisfaction and trust of e-banking services of selected bank.

8. Limitations:

- The sample taken for the study is restricted to a particular region.
- Bias of the respondents may effects the results of the study.
- There are different aspects of e- banking which can be viewed from different views of customer's perspective. There is a time constraint in research work.
- Some time respondents may not complete the questionnaire resulting in low response rates.

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