

Study on the Customer Satisfaction towards Internet Banking Services

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Abstract

The study has been conducted in order to evaluate and examine the level of customer satisfaction towards internet banking service. The purpose of this study is also to observe and analyze the purpose of using internet banking, reasons for chosen internet banking, satisfaction of customers towards internet banking service, how customers feels about internet banking service safety, What would encourage customer to use more the internet banking service. The primary data for this study was compiled through well-structured questionnaire filled through the goggle forms. The study results clearly indicated that the majority of the users of internet banking service were in the high level of satisfaction and they are using this flat form for most for transfer money.

Introduction

The term 'online' became popular in the late 1980s and referred to the use of a terminal, keyboard and TV (or monitor) to access the banking system using a phone line. Online banking was first introduced in the early 1980s in New York, United States. Four major banks Citibank, Chase Bank, Chemical Bank and Manufacturers Hanover offered home banking services.

Online banking offers customers almost every service traditionally available through a local branch including deposits, transfers, and online bill payments. Virtually every banking institution has some form of online banking, available both on desktop versions and through mobile apps.¹

Research methodology

Researcher has adopted the questionnaire for the purpose of collecting Primary data to investigate and identify the customer satisfaction towards internet banking service, reason for chosen internet banking, how they feel about internet banking service safety. And about 50 samples were collected.

Statement of the problem

This research pertaining of find out present customer satisfaction of internet banking service. This survey helps know about in which bank customer having internet banking service, for what purpose they are using most, factor influencing customer prepare particular online banking system and problem faced by the customer.²

Objectives

- To know the customer satisfaction towards the internet banking services
- To study the factors affecting customer satisfaction
- To anal use the

Hypothesis

H₀₁ There is no relationship between customer satisfaction and safety

H₁₁ There is a significant relationship between customer satisfaction and safety

H₀₂ There is no relationship between customer satisfaction and convenience

H₁₂ There is a significant relationship between convenience and customer satisfaction

Review of literature

Dr.T.Santhiya Ran and A.Saravanan have examined that India taking giants leaps towards globalization in internet banking India all the banking sector to be studied with great India. As customer get more and educated, getting insight about modern banking, via internet banking has enrolled as primary data concern for all leading and upcoming banks in India. This study provides an insight analysis on this aspect.

B. Raghavendra and P. Sravan Kumar have determined present day virtual banking changed the way of banking and now within reach of the last customer with technology adoption in a big way. The internet banking services offer services according to the customer needs and requirements. The services offered by banks are one and same and service quality elements and their performance makes the difference between banks. The customer satisfaction is important criteria for banks sustenance in this sector.

Dr. M. VASAN concluded Changes in banks' external environment, such as globalization and deregulation, have made the banking sector highly competitive. Banks find it hard to compete on price and need to look at other ways to retain customers. As customers become more sophisticated, it becomes imperative for banks to consider the use of technology to respond to their continuously changing requirements. But current scenario in India shows that pace at which technology in Internet banking proceeds doesn't march with the customers' usage rate. Eventhough banks are more interested in adopting new technology to differentiate them in competitive market, they are not getting expected return on investment.

Sample Distribution

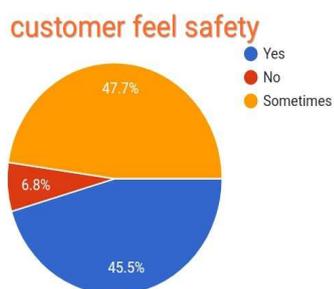
The sample comprises of 17.4% of male respondents and 82.6% of female respondents. In the case of income, 63.6% of the respondents were not working, 27.3% were of earning less than 15000. The occupation of respondents was that, 19.6% were self- employed, 18% were salaried, 5% were unemployed, 3.7% were professionals and 71.7% were students.

Limitations

1. The sample size is restricted to only 50 individuals.
2. The study is confined to only those people use who having mobile phone.

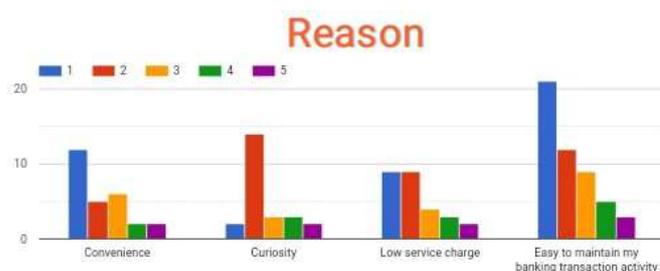
Data analysis

Chart 1



From chart 1 we can see that 45.5% of the respondents feel safety, 6.8% of the respondents feel not safety and 47.7% of the respondents feel sometimes safety sometimes not.

Chart 2



most of the respondents are using internet banking service for reason is it is convenient

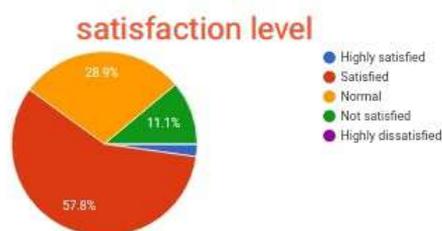
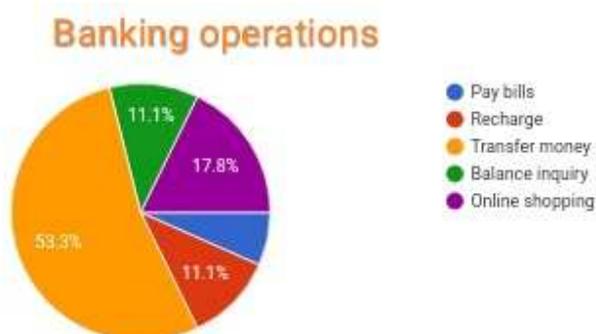


Chart 3

From the above chart only few respondents feel highly satisfied, 57.8% of respondents are satisfied.

Chart 4



From the above chart 53.3% of respondents using this flat form for transferring money.

Data analysis

To test the hypothesis, chi square(χ^2) test being used

Safe	Satisfaction					
	Satisfied			Unsatisfied		
	O	E	X2	O	E	X2
Yes	21	18.2	0.61	0	3.73	3.73
No	0	2.6	2.53	3	0.53	39.2
Sometime	16	18.2	0.17	5	3.73	0.43
Total	39	39	3.31	8	8	43.36

$$X^2 = \{ (O-E)^2 / E \}$$

O = Observed Frequency

E = Expected Frequency

Calculated of

Expected Value = (Row Total * Column Total) / Grand Total)

Degree of Freedom = $(r-1)*(c-1)$

r = Number of Rows

c = Number of Columns

Degree of Freedom (df) = $(r-1) * (c-1)$

= $(3-1) * (2-1)$

= $2 * 1$

=2

Calculated Chi square value =46.67 (3.31+43.36)

Chi square value at 5% significance level = 11.070

Inference: As the calculated value is more than the table value at 5% level of significance, it can be inferred that **there is a significant association between safe and satisfaction of users of internet banking service**

Further Scope

The research can be further extended to understand customer behaviour towards the particular bank. And also can focus on mobile banking, telephone banking, support services provided by banks and include private banks for exploration.³

Conclusion

The study focused on customer opinion from one region which have common social background resulted that the prompt response, confidentiality, web site design and ease of use factors that affect customer satisfaction. Customer's gender, age, education, and income level influence the customer satisfaction.⁴ The usage of up to date information and technologies for customer communication enhance the customer satisfaction.

References

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⁴ M. Durkin, "In search of the Internet-banking customer: Exploring the use of decision styles", *International Journal of Bank Marketing*, 2004. Vol. 22, No. 7, pp.484-503