

Customer Satisfaction Towards E-Services in Private Sector Banks in Tiruchirappalli District

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ABSTRACT

In the Banking Industry, it has been in the form of E-Services, which is now replacing the traditional banking practice. E-Service has a lot of benefits which add value to customers' satisfaction in terms of better quality of service offerings. E-Services can be done both online and offline. Examples of E-Services are viewing of Account Summary, Overdraft Details, Transactions Details, etc through online and Deposit Account Opening, Deposit Amend/Renewal through offline. E-Services are considered important for the reasons of accessing a greater customer base, alternative communication channel to customers and to increase services to customers. It is very convenient and have become a great comfort for busy customers. However the banks are digitalizing their services and providing better E-Services to their customers, there is lack of complete digitalization because of some illiterate customers. It is not possible to educate them all, but it is possible to train them by conducting training sessions. Also the technological facts related to banks and their customers are hacked by some unauthorised persons, but this can be overcome by developing highly protected networks and applications used for E-Services in banking.

Keywords: Information Technology, E-Services, Digitalizing, etc.,

INTRODUCTION

The e-banking is also known as virtual banking, is an electronic payment system that enables the customers of a bank to conduct a range of financial transactions through the financial institution's website. The 'Electronic Banking' is the need of the hour, which cannot be lost sight of except at the cost of elimination from the competition. The existence of Electronic banking also becomes inevitable due to the standards required to be matched at the international level. Thus, the domestic as well as the international standards mandates the adoption of electronic banking at the earliest possible moment.

Thus, Banks are now reengineering the way in which their services can be reached to their customers by bringing in flexibility in their 'distribution channels'. Technology is enabling banks to provide the convenience of anytime-anywhere-banking. The earlier brick-and-mortar branch is no longer sufficient, technology is now taking banks to the homes or office, 24 hours a day, 365 days a year through ATMs, Mobile banking and PC banking. However, with the help of information technology, it has now become possible for banks to deliver products and services efficiently and to improve customer base without opening new branches. Hence, these new private and foreign players are trying to compete with them on the basis of adoption of new technological services like Plastic Cards, Electronic Fund Transfer (EFT) and Internet Banking etc., to approach the maximum customers in spite of having less physical branches.

REVIEW OF LITERATURE

A.Samsunisa (2015) The researcher has identified “that different age group of customers have different perception toward the e-banking services and the usage level of these banks”, customer is different so bank should concentrate on all the age group of customers for betterment of e- banking banks. It has also seen that different occupation group of customers have different perception toward the e-banking services. There are good number of customer in every group like student, service class, business class and professionals, it shows that they all are keen interesting in using the e-banking services.

R. Elavarasi (2014) The researcher has identified which commercial bank provides better service with regards to e-banking services to customers and also identified satisfaction level of customer view about internet banking website of banks. The data analysis shows that age, educational qualification, occupation, income level of customer are significant factor that decide usage of e-banking services of various banks in the study area. The findings were to increase awareness among people; SBI should advertise and conduct special awareness programs to make E-Banking services more popular among customers.

STATEMENT OF THE PROBLEM

The main purpose of this study is to know the problems faced by the customers who are getting e-services facilities offered by the select private sector banks in the study area. In such a situation the following research queries emerge out.

- What are the E-banking services offered by select private sector banks in the study area?
- Where do they use e-services for their transactions?
- What mode of e-services do they prefer to use?
- Which factors do influence them more to avail e-services?

OBJECTIVES OF THE STUDY

The present study is undertaken with the following objectives:

- To measure the impact of customers’ personal demographic variables on overall satisfaction towards e-services.
- To analyse the preference of customers regarding e-services provided by select private sector banks.

RESEARCH METHODOLOGY

This study is an Exploratory Research based on the analysis carried out with both Primary and Secondary Data.

The study is mainly based on the Primary data and they were collected by using a structured Questionnaire. The primary data were collected from the users of e-banking services offered by the select private sector banks namely City Union Bank, Karur Vysya Bank, Tamilnadu Mercantile Bank and Lakshmi Vilas Bank. Secondary Data were collected from the related Journals, Magazines, Books, Research Reports, Websites and e-Resources regarding the e-banking services and the related research work carried out in this field.

The sample size for the study is 564 Respondents selected on the basis of **Non-Probability Random Sampling Method** from the Customers of select private sector banks in Trichy.

**TABLE NO 1
FACTORS INFLUENCED TO USE E-SERVICES**

Sl. No.	E-services	Mean Rank	Rank	Inferential Statistics
1	Quick Service	4.00	3	N=564 $\chi^2 = 76.620$ Df = 6 P=0.000* Significant
2	Convenience	4.24	7	
3	24x7 Services	3.30	1	
4	Easy Customization	4.09	4	
5	Reliability	3.96	2	
6	Economy	4.19	5	
7	Security of Transactions	4.21	6	

Source: Primary Data

*p<0.01

In the above table, it can be found that there exists a significant difference towards the purpose of availing e-services in customers (p-value < 0.01). It can also be found that the high ranking factor is “24x7 Services” having a mean rank of 3.30 followed by Reliability (3.96), Quick Service (4.00), Easy Customization (4.09), Economy (4.19), Security of Transactions (4.21) and Convenience (4.27).

Hence, it is concluded that the first three ranks to 24x7 Services, Reliability and Quick Service and there are the three major factors influencing the use of e-services.

**TABLE NO. 2
PROBLEMS WHILE USING E-SERVICES**

Sl. No.	Problems	Mean Rank	Rank	Inferential Statistics
1	Poor Internet Connectivity	5.03	4	N=564 $\chi^2 = 200.300$ Df = 9 P=0.000* Significant
2	Default in ATM machine	4.91	2	
3	Insecurity	5.05	5	
4	Frequent Technical problem	4.87	1	
5	Limited withdrawal amount	5.57	6	
6	ATM out of services during emergency time	4.95	3	
7	Limited time of inter banking withdrawals	6.26	9	
8	Lack of knowledge regarding the use of e-channels	6.29	10	
9	Unsuitable location of ATMs	6.03	7	
10	Number of ATMs is not sufficient	6.04	8	

Source: Primary Data

*p<0.01

In the above table, it can be found that there exists a significant difference towards the e-services problems affecting the use of e-services (p-value < 0.01). It can also be found that the high ranking factor is “Frequent Technical problem” having a mean rank of 4.87 followed by Default in ATM machine (4.91), ATM out of services during emergency time (4.95), Poor Internet Connectivity (5.03), Insecurity (5.57), Limited withdrawal amount (5.57), Unsuitable location of ATMs (6.03), Number of ATMs is not sufficient (6.04), Limited time of inter banking withdrawals (6.26) and Lack of knowledge regarding the use of e-channels (6.29).

Hence, it is inferred that ‘Frequent Technical Problem’, ‘Default in ATM machine’ and ‘ATM out of services during emergency time’ are the major problems faced by e-services customers.

TABLE NO. 3
REGRESSION ASSOCIATION BETWEEN E-SERVICES MODES AND OVERALL SATISFACTION

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	3.273	.530		6.177	.000
Debit Card (X ₁)	.001	.031	.002	.039	.000**
Credit Card (X ₂)	.088	.040	.104	2.185	.029*
Interet Banking (X ₃)	.012	.028	.020	.433	.000**
Mobile Banking (X ₄)	.041	.048	.040	.847	.037*
Digital Wallet (X ₅)	.342	.029	.528	11.816	.000**

Source: Primary Data

R value = 0.603, R² = 0.364; F value = 63.072

Dependent variable: Overall Satisfaction

[* Significant at 0.05 level (2-tailed)]

Independent variables: E-Services Modes

[** Significant at 0.01 level (2-tailed)]

The value of R (0.603) is the correlation of the five independent variables ATM (X₁), Credit Card (X₂), Net Banking (X₃), Mobile Banking (X₄) and Digital Wallet (X₅) with the dependent variable overall satisfaction (Y), after all the inter-correlations among the five independent variables are taken into account. The R Square (0.364), which indicates all the independent variables together explain 36.4% of the variance in overall satisfaction, which is highly significant (F=63.072), p<0.01).

THE MULTIPLE REGRESSION EQUATION IS

$$\hat{Y} = 3.273 + 0.001X_1 + 0.088X_2 - 0.012X_3 + 0.041X_4 + 0.342X_5$$

This equation indicates that overall rating level increase by 0.001 for every one unit increase in ATM, 0.088 units for every one unit increase in Credit Card, 0.012 units for every one unit increase in net banking, 0.041 units for every one unit increase in mobile banking and 0.342 units for every one unit increase in digital wallet.

Also, we infer that, ‘**Digital Wallet**’ is the best predicting mode of e-services preferred by the customers and they satisfied more among other mode of e-services.

FINDINGS

- 24/7 through a wide spread network of the banks ATMs and branches are the major factors influencing the use of e-services.
- Frequent technical problem, default in ATMs and ATMs out of service during emergency are the main problems faced by the e-service customers.
- The Digital Wallet of e-service is the best predicting mode preferred by the customers.

SUGGESTIONS

- The banks can organise awareness programmes and training to people to reduce problems related to e-banking.
- The technical problems in ATMs should be immediately addressed by the bank management.
- There is additional demand for ATMs machines. So the bank management has to take necessary steps to launch more ATMs.
- The withdrawal amount should be increased by the banks so that the customers can make use of it during their critical times.

CONCLUSION

Everyday, every hour even every second the information technology is growing and it affects our regular activities like shopping, learning, surfing, banking, etc. India being a developing country has to accelerate the growth of banking sector for its further development. The strategy of the bank is to provide value added services to the customers, utilizing the internet extensively. E-banking offers several benefits to rural people and some problems are addressed. The Digital Wallet of e-service is the most influencing factor of customers' satisfaction towards e-banking. The banking sector services are to be improved with the help of information technology. Obviously, almost all of the banks in India are providing E-Services to their customers. The concept of E-service represents prominent application of utilizing the use of information and communication technologies.

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