



A STUDY ON LEVEL OF SATISFACTION TOWARDS E- BANKING SERVICES IN KRISHNAGIRI

Mr.N.SatheeshKumar,

Research Scholar,

Government Arts College, Udumalpet, Tamil Nadu

****Dr. N. Maliqjan,**

Research Supervisor,

Government Arts College, Udumalpet, Tamil Nadu

ABSTRACT

*Growth of Information, Communication and Technology has revolutionized in various aspects of every human. The world at large is rapidly accommodating into the 'Net Age'. The growth and expansion of internet and information technology have facilitated the emergence of Electronic – Commerce. Objectives of the study, The analyse the customers' attitude towards purpose of using electronic banking in Krishnagiri town and to findout level of satisfaction of the customers' towards electronic banking services in Krishnagiri town. Methodology of the study, Primary as well as secondary data has been used in this study. Primary data collected through questionnaire. Krishinari town is sampling unit. 100 respondents has taken in this study. Important findings of the study, All the F-test value is greater than the table value at 1% level of significance. Since the calculated F-test value is greater than the table value, it inferred that there is significant difference among the respondents of overall opinion about **Purpose of using E-Banking** with respect to various factors namely Age, Education, Gender and Occupation. Hence the null hypothesis is rejected and alternative hypothesis is accepted. There is significant difference between personal profile and purpose of using e-banking. Suggestions of the study, The study also reveals that ATMs and Credit Cards are the most common Value-added services utilised by the respondents. Efforts must be made to market the other services namely, E-banking, Demat accounts, Online tax filing, Anywhere banking, etc., So that the customers as well as the banks are benefitted. Conclude this study, It is concluded that most of the customers are satisfied with e-banking services provided by their banks, however there is differences in the level of satisfaction, this is due to the low penetration of electronic banking services and low awareness among the public*

Keywords: level of satisfaction, purpose of using E-banks services, ATM, Credit cards etc.

INTRODUCTION

Electronic banking is the most inventive service offered by the banks. The transformation from traditional banking to electronic banking has been a dramatic change. The evolution of electronic banking started from the use of Automated Teller Machine (ATM) and Telephone Banking (tele-banking) direct bill payment, electronic funds transfer (EFT) and the revolutionary online banking. There will be huge acceptance of electronic banking with the passage of time with growing awareness and education. A great many people are shifting to electronic banking and are readily accepting the usefulness of this option. It allows customers to manage their accounts from any place at any time for minimum cost.

Electronic banking is the latest in the series of technology wonders in the recent past, involving use of internet for delivery of products and services. The electronic banking has been evolving the environment with the development of the World Wide Web. Banks through internet has emerged as a strategic resource for achieving higher efficiency. More recently in India, the electronic banking services is carried out in an effective way to highly satisfy the customers of the respective banks. As time factor, has become very important for the people in today's modern world, spending the precious time by standing in long queue will lead to delay in all other work. Hence, customers' are benefited by the outcome of the electronic banking system. The flexibility and easy access to financial products and services has benefitted the customers'. As a business tool, internet banking is rapidly transforming the world of commerce and banking. Making banks to provide services fast and efficient and allowing banking and financial institutions to provide more personalized services to their customers'. The internet has created perfect market conditions where customers' have access to more information and can compare rates and financial products at ease, internet has reduced the barriers, and has actually become the valued added service to the banks and financial institutions.

REVIEW OF LITERATURE:

Gupta P. K. (2008) The paper identifies the weaknesses of conventional banking, explores the consumer awareness, use patterns, satisfaction and preferences for Internet banking vis-à-vis conventional form of banking, and highlights the factors that may affect the bank's strategy to adopt Internet banking. **Joseph et al. (1999)** investigated the influence of internet on the delivery of banking services. They found six underlying dimensions of e-banking service quality such as convenience and accuracy, feedback and complaint management, efficiency, queue management, accessibility and customization. **Jun and Cai (2001)** identified 17 service quality dimensions of i-banking service quality. These are reliability, responsiveness, competence, courtesy, credibility, access, communication, understanding the customer, collaboration, continuous improvement, content, accuracy, ease of use, timeliness, aesthetics, security and divers features. They also suggested that some dimensions such as responsiveness, reliability and access are critical for both traditional and internet banks. **Jayawardhena (2004)** transforms the original SERVQUAL scale to the internet context and develops a battery of 21 items to assess service quality in e-banking. By means of an Exploratory Factor Analysis (EFA) and a Confirmatory Factor Analysis (CFA), these 21 items are condensed to five quality dimensions: access, website interface, trust, attention and credibility. According to **Kotler**, CRM principally revolves around marketing. It involves integrating information gathered from all the distribution channels and analyzing the data, with the help of IT, to understand customer behavior. The continuous analysis and improvements over a long period should result in enhancing customers' lifetime value with the firm. **Oliveira P. & Eric V. H. (2011)** Found that 55% of today's computerized commercial banking services were first developed and implemented by non-bank firms for their own use, and 44% of today's computerized retail banking services were first developed and implemented by individual service users rather than by commercial financial service providers. **Tawani A. A. (2010)**, "Services provided by the bank through E-banking in India",

conducted the research on the customers of ICICI bank and HDFC bank to check the awareness of internet banking and to examine the satisfaction relating to e-banking services. **Uppal R K (2008)** has analysed the quality of e- Banking services in the changing environment on the basis of 5 point likert type scale with different statistical tools such as rated average method and ranking. The study concludes that most of the customers of e - banks are satisfied with the different e – channels and their services, but the lack of awareness is a major obstacle in the spread of e – banking services.

STATEMENT OF THE PROBLEM

Each bank starts with certain aims and objectives. The primary aim of bank is to promote the financial and social welfare of customers. Hence the present study is an attempt to analyze the customer services towards public and private sector banks in Krishnagiri. The concept of E- banking sector has undergone significant changes in terms of products and services. Banks found themselves in a market where the buyer [customer] has more options than even before and the seller [bank] has therefore been compelled to constantly review its package of product and services to suit the expectation of customers.

Economic liberalization, globalization, information technology revolution, changing customer requirements and increasing competition have posed a lot of challenges to the existing banking sector in India. As a consequence, banks have undergone increasing pressure to offer today what customers would expect tomorrow. The banks now compete with one another to offer internet banking services to customers to widen their client bases.

1. What are the ingredients of E-services with reference to banks?
2. Is there any significant difference in among customer E services?
3. What is the level of satisfaction about E- banking services

OBJECTIVES OF THE STUDY

- The analyse the customers' attitude towards purpose of using electronic banking in Krishnagiri town.
- To findout level of satisfaction of the customers' towards electronic banking services in Krishnagiri town.

RESEARCH METHODOLOGY

Research design is the plan, structure of investigations conceived to obtain the answers to research questions and to control variance. The research design constitutes the blue print for the collection, measurement and analysis of the data. It helps the researcher in the allocation of his limited resources by posing crucial choices. This study is an empirical research conducted by survey method. Primary as well as secondary data has been used in this study. Structured Questionnaire was framed for collecting the required primary data. 100 respondents was chosen using convenient sampling method. ANOVA test was applied to find out the attitude and satisfaction level of the customers. Independent variable of this study, Gender, Age, Education, Income, Dependent variable Level of satisfaction, purpose of using E-banking. Study has conducted in Krishnagiri.

ANALYSIS AND INTERPRETRATION

Table – 1
Profile of the respondents

Particulars		No. of Respondents	Percentage
GENDER	Male	76	76
	Female	24	24
Total			100
AGE	Up to 25	18	18
	26 – 35	45	45
	36 – 45	27	27
	Above 45	10	10
Total			100

EDUCATION	Up to High School	22	22
	Higher Secondary	46	46
	Degree	23	23
	Diploma	9	9
Total			100
OCCUPATION	Agriculture	25	25
	Service	38	38
	Business	22	22
	Others	15	15
Total			100
INCOME	Below Rs. 20,000	35	35
	Rs.20,001 – Rs.30,000	38	38
	Above Rs. 30,000	27	27
Total			100

PREFERRED BANK	Public Sector Bank	59	59
	Private Sector Bank	41	41
	Foreign Bank	0	0
Total			100
ACCOUNT HOLDING TYPE	Savings Account	70	70
	Current Account	30	30
Total			100
PURPOSE OF USING ELECTRONIC BANKING	Withdrawal of Funds	46	46
	Funds Transfer	26	26
	Payment of Bills	20	20
	Checking Balance	8	8
Total			100

SOURCE: Primary data

Table – 1 shows the demographic profile of the respondents which contains gender, age, education, occupation, preferred bank, account holding type, and purpose of using electronic banking. The analysis of the demographic characteristics of the respondents’ age wise analysis shows that 45 per cent of the respondents’ belong to the age 26 to 35, and 27 per cent of the respondents’ are in the age group of 36 to 45. 76 per cent of the respondents are male and 24 per cent of the respondents are female. In the education level 46 per cent have completed higher secondary, 23 per cent of the respondents have completed their degree. Occupation analysis shows that 38 per cent of the respondents are in service (i.e. either private or public sector undertaking), 25 per cent of the respondents belong to the agriculture, 22 per cent of the respondents are doing business. 35 per cent of the respondents have income below Rs. 20,000; 38 per cent of the respondents have income between Rs.20001 – Rs.30,000 and 27 per cent of the respondents have income above Rs.30,000. 59 per cent of the respondent prefer Public Sector Bank than Private sector banks, further there is no foreign banks operation in Krishnagiri town. Most of the respondents have savings bank account; 46 per cent of the respondents use electronic banking for funds withdrawal purpose.

Table 2

ANOVA - Personal Profile and level of satisfaction									
			Sum of Squares	df	Mean Square	F	Sig.	Table value at 5%	Table value at 1%
Gender * level of satisfaction	Between Groups	(Combined)	8.289	1	8.289	81.628	.000	3.94	6.90
	Within Groups		9.951	98	.102				
	Total		18.240	99					
AGE * level of satisfaction	Between Groups	(Combined)	50.960	1	50.960	194.848	.000	3.94	6.90
	Within Groups		25.630	98	.262				
	Total		76.590	99					
EDUCATION * level of satisfaction	Between Groups	(Combined)	45.593	1	45.593	140.523	.000	3.94	6.90
	Within Groups		31.797	98	.324				
	Total		77.390	99					
OCCUPATION * level of satisfaction	Between Groups	(Combined)	69.254	1	69.254	222.847	.000	3.94	6.90
	Within Groups		30.456	98	.311				
	Total		99.710	99					

SOURCE: PRIMARYDATA

Null Hypothesis: There is no significant difference between gender and preferred bank, age and preferred bank, education and preferred bank, occupation and preferred bank.

Alternative Hypothesis: There is significant difference between gender and preferred bank, age and preferred bank, education and preferred bank, occupation and preferred bank

All the F-test value is greater than the table value at 1% level of significance. Since the calculated F-test value is greater than the table value, it inferred that there is significant difference among the respondents of

overall opinion about **level of satisfaction** with respect to various factors namely Age, Education, Gender and Occupation. Hence the null hypothesis is rejected and alternative hypothesis is accepted. There is significant difference between Gender, Age, Education and Occupation.

Table 3

ANOVA – PERSONAL PROFILE AND PURPOSE OF USING E-BANKING									
GENDER TO PURPOSE OF BANKING			Sum of Squares	df	Mean Square	F	Sig.	Table value at 5%	Table value at 1%
Gender * PURPOSE	Between Groups	(Combined)	15.040	3	5.013	150.400	.000	2.70	3.99
	Within Groups		3.200	96	.033				
	Total		18.240	99					
AGE * PURPOSE	Between Groups	(Combined)	57.949	3	19.316	99.477	.000	2.70	3.99
	Within Groups		18.641	96	.194				
	Total		76.590	99					
EDUCATION * PURPOSE	Between Groups	(Combined)	61.577	3	20.526	124.612	.000	2.70	3.99
	Within Groups		15.813	96	.165				
	Total		77.390	99					
OCCUPATION * PURPOSE	Between Groups	(Combined)	77.862	3	25.954	114.044	.000	2.70	3.99
	Within Groups		21.848	96	.228				
	Total		99.710	99					

SOURCE: PRIMARY DATA

Null Hypothesis: There is no significant difference between gender and purpose of using e-banking, age and purpose of using e-banking, education and purpose of using e-banking, occupation and purpose of using e-banking.

Alternative Hypothesis: There is significant difference between gender and purpose of using e-banking, age and purpose of using e-banking, education and purpose of using e-banking, occupation and purpose of using e-banking.

All the F-test value is greater than the table value at 1% level of significance. Since the calculated F-test value is greater than the table value, it is inferred that there is significant difference among the respondents of overall opinion about **Purpose of using E-Banking** with respect to various factors namely Age, Education, Gender and Occupation. Hence the null hypothesis is rejected and alternative hypothesis is accepted. There is significant difference between personal profile and purpose of using e-banking.

LIMITATIONS OF THE STUDY: The study is limited to the customers' various banks in Krishnagiri town, and the sample is restricted to 100. There may be personal bias in answering which may replicate in the result, for which the researcher has no control over the variables and results.

SUGGESTIONS

The study reveals that there are vast opportunities as well as challenges for Value-added services provided by banks in India. It is found that due to technological innovations and significant change in demographic profile of customers, there is huge market potential lying ahead.

This study recommends among others that Banks should design new products as well as improve on the existing Value-added services provided. They should make the packages more attractive and if possible unique. They should ensure that the 4Ps -**Products, Place, Promotion, Price**) of Value-added services are customer oriented.

The study reveals that the awareness level of Value-added services is restricted to only a certain section of the society. Hence, Banks must concentrate on the needs and demands of various customers depending on their requirements. .

The study also reveals that ATMs and Credit Cards are the most common Value-added services utilised by the respondents. Efforts must be made to market the other services namely, E-banking, Demat accounts, Online tax filing, Anywhere banking, etc., So that the customers as well as the banks are benefitted.

Conclusion

It is concluded that most of the customers are satisfied with e-banking services provided by their banks, however there is differences in the level of satisfaction, this is due to the low penetration of electronic banking services and low awareness among the public . Customers are interested in new technology as it provides convenience, and sparring less time for accessing banking services. The majority of the customers had positive attitudes towards technology.. They use E-Banking mainly for withdrawals, fund transfer, inquiries about of outstanding balance and utilities or third parties payment. Customer aware to use E- Banking services due to its convenience. With regard to customers' satisfaction in terms of e-service quality, the majority of E-Banking customers showed satisfaction with every factor of e-service quality. Fee charged for utilizing other banks ATMs makes them inconvenient. Finally it is concluded that customers are very much satisfied with e-banking services provided by the banks in Krishnagiri town.

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