

Customer Satisfaction of E-Banking Services in Tiruchirappalli Town

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Abstract— Service quality is one of the critical success factors that influence the competitiveness of an organization. A bank can differentiate itself from competitors by providing high quality service. Service quality is one of the most attractive areas for researchers over the last decades in the retail banking sector. There is no guarantee that what is excellent service today is also applicable for tomorrow. To survive in the competitive banking industry, customer satisfaction is considered as the essence of success. Hence an attempt is made to study the Customer Satisfaction of E-Banking Services in Tiruchirappalli Town. The most important factor influencing customer satisfaction of E-Banking Services are Costs and the least important factor influencing customer satisfaction of E-banking services are Adoption. Customer satisfaction of E-Banking services are high for karur vysya Bank.

Keywords— Customer satisfaction ,E-Banking, Costs Adoption.

I. INTRODUCTION

Nowadays, customer satisfaction is no longer sufficient and companies, organizations and banks should not depend on customer satisfaction alone. They should become sure that customers are not only satisfied but also loyal. Therefore, providing services and product quality for customers is necessary for banks to be successfully and to survive in nowadays competitive banking condition, so providing quality services and products will result in reputation of business (banks) and enables them to keep customers and also attracts new customers by oral advertising among people and promotes financial performance profitability. In the last few decades, marketing and business and also change in banks approach towards customer ship. Therefore, these days, banks have shifted their attention towards customer. In must be noted that banks used to consider profitability as a result of attracting more customers. In contrast, now, research shows that the cost of attracting a new customer is nearly twice the cost of keeping an old loyal customer. In this research, first off, we try to study the effective factors resulting in customer loyalty by literature and then they are tested and also the relationship between the structure of loyalty and these factors will be determined. Finally the question “could these factors result in customer loyalty in online banking?” will be answered. In this research, after testing the existence of relationship between any of the variables and loyalty, the question which arises here is that “how much does online E-banking influence any of the variables?” It seems like its worth to perform a research measuring. The relationship between loyalty in online banking and any of these variables. By noticing the before mentioned statement, The results achieved through this research can be very important. Such results can be

used by managers (bank industry) to design and create a structure based on customer loyalty to online networks in banks.

SCOPE OF THE STUDY

This study deals with variables like Security, Privacy, Trust, Costs and Charges, Adoption towards customer satisfaction.

OBJECTIVES OF THE STUDY

- To find out the factors influencing customer satisfaction of E-Banking services
- To know the level of satisfaction of E-Banking services
- To identify whether there exist a relationship between personal profile and customer satisfaction

HYPOTHESIS

- There is a difference between Type of bank and Customer Satisfaction of
- E-Banking Services.
- There is a difference between E-banking Services offered E-Banking Services.

METHODOLOGY

Pilot study: Pilot study is conducted with 20 respondents. After making certain changes, additions and alterations are made in the questionnaire.

Table- 1
RELIABILITY VALUE

Variable	No of items	Alpha value
Security	7	.694
Privacy	7	.712
Trust	8	.725
Cost & Charges	9	.718
Adoption	4	.713

Source: compiled from primary data

Cronbach alpha value is calculated to know the reliability value of the questionnaire. The cronbach value lies between 0.694 to 0.725 which shows that the questionnaire is reliable.

Questionnaire: Questionnaires are collected through likert-5 point scale ranging from strongly agree to strongly disagree.

Data collection : Both primary and secondary data are collected. Primary data are collected through questionnaire method and secondary data are collected through books, magazines, journal and internet.

Sampling method : Convenient sampling method is used based on the convenience of the respondents.

Sampling size: Sampling size consist of 100 respondents.

Statistical tools : Data collected are analyzed through SPSS package. SPSS tools like chi-square and t-test, one way Anova, Regression & factor analysis are used

TABLE -2
Descriptive Statistics

ITEMS	LOW	HIGH	MINI	MAX	MEAN	S.D	MEDIAN
Security	44	56	23	33	27.90	2.443	28.00
Privacy	37	63	22	32	28.81	2.452	30.00
Trust	47	53	24	40	31.35	3.151	32.00
Costs and charges	48	52	22	40	33.74	4.469	34.00
Adoption	66	34	11	20	16.14	1.775	16.00
Overall e-banking services	40	60	114	159	137.94	9.161	139.00

Source: Compiled from Primary data

Table 2 reveals that the most important factor influencing customer satisfaction of E-Banking Services are Costs & Charges (mean = 33.74) followed by Trust (mean= 31.35) and Privacy (28.81). The least important factor influencing customer satisfaction of E-banking services are Adoption (mean=16.14).

TABLE -3 ASSOCIATION BETWEEN SERVICES OFFERED OF THE RESPONDENTS AND CUSTOMER SATISFACTION OF E-BANKING SERVICES

	E-Banking Services offered by Banks										Statistical Inference			
	ATM (N=72)	(100%)	DEBIT CARD (N=28)	(100%)	CREDIT CARD (N=72)	(100%)	MOBILE BANKING (N=72)	(100%)	INTERNET BANKING (N=28)	(100%)		TOTAL (N=100)	(100%)	
Security	Low	27	38.0%	4	50.0%	8	66.7%	1	100.0%	4	50.0%	44	44.0%	X ² (9)=258.284 Df=4 .000<0.05 Not Significant
	High	44	62.0%	4	50.0%	4	33.3%	0	0%	4	50.0%	56	56.0%	
Privacy	Low	28	39.4%	4	50.0%	0	0%	1	100.0%	4	50.0%	37	37.0%	X ² (9)=201.041 Df=4 .000<0.05 Not Significant
	High	43	60.6%	4	50.0%	12	100.0%	0	0%	4	50.0%	63	63.0%	
Trust	Low	37	52.1%	4	50.0%	1	8.3%	1	100.0%	4	50.0%	47	47.0%	X ² (9)=115.153 Df=4 .000<0.05 Not Significant
	High	34	47.9%	4	50.0%	11	91.7%	0	0%	4	50.0%	53	53.0%	
Costs and charges	Low	35	50.7%	8	100.0%	0	0%	0	0%	4	50.0%	48	48.0%	X ² (9)=201.388 Df=4 .000<0.05 Not Significant
	High	35	49.3%	0	0%	12	100.0%	1	100.0%	4	50.0%	52	52.0%	
Adoption	Low	50	70.4%	4	50.0%	4	33.3%	1	100.0%	7	87.5%	66	66.0%	X ² (9)=94.911 Df=4 .000<0.05 Not Significant
	High	21	29.6%	4	50.0%	8	66.7%	0	0%	1	12.5%	34	34.0%	
Customer satisfaction of e-banking services	Low	28	32.4%	8	100.0%	4	33.3%	1	100.0%	4	50.0%	40	40.0%	X ² (9)=126.107 Df=4 .000<0.05 Not Significant
	High	48	67.6%	0	0%	8	66.7%	0	0%	4	50.0%	60	60.0%	

Source :Compiled from Primary data

Table 3. explains that customer satisfaction of E-banking services are high for ATM services users (67.6%) and Credit Card holder (66.7%) overall E-banking services are low for Debit Card users (100%) and mobile banking services users (100%) . Table also shows that there is a significant association between E-banking services users and customer satisfaction E-banking services as the calculated value is 0.003is less than the table value 0.05.

TABLE -4
T-TEST SHOWING THE DIFFERENCE BETWEEN TYPE OF BANKS OF THE RESPONDENTS AND CUSTOMER SATISFACTION OF E-BANKING SERVICES

	Mean	SD	Statistical Inference
S1.Security			
Public (n=72)	27.86	2.222	T=-.254 Df=98 .800>0.05 Not Significant
Private (n=28)	28.00	2.981	
S2.Privacy			
Public (n=72)	29.07	2.463	T=1.713 Df=98 .090>0.05 Not Significant
Private (n=28)	28.14	2.337	
S3.Trust			
Public (n=72)	31.58	3.166	T=1.190 Df=98 .237>0.05 Not Significant
Private (n=28)	30.75	3.087	
S4.Costs and charges			
Public (n=72)	33.24	4.938	T=-1.829 Df=98 .070>0.05 Not Significant
Private (n=28)	35.04	2.589	
SS.Adoption			
Public (n=72)	16.10	1.922	T=-.385 Df=98 .701>0.05 Not Significant
Private (n=28)	16.25	1.351	
Customer satisfaction e-banking services			
Public (n=72)	137.85	9.799	T=-.162 Df=98 .872>0.05 Not Significant
Private (n=28)	138.18	7.424	

Source: Compiled from Primary data

Table 4 explains that Customer satisfaction e-banking services are high for Private Bank account (mean=138.18) than the Public Sector Bank account holders (mean=137.85). Table also shows that there is no significant difference between Types of Bank Account holder and Customer satisfaction E-banking services as the calculated value is 0.087 which is more than the table value of 0.05.

FINDINGS

- 57% of the respondents are male.
- 88% of the respondents belong to the age group of between 20-40 years.
- 72% of the respondents are having account with public sector banks.
- 24% of the respondents banker are State bank of India
- 71% of the respondents avail ATM facilities among the E-Banking services.
- The statement –‘Security of E-Banking is important for me’ constitute forwards security.
- The statement – ‘Banking Institution keep customer & Information P&C constitute towards privacy.
- The statement –‘I trust in the safety of online money transfer constitute towards trust.
- The statement –‘E-Banks charge annual fee constitute towards cost and charge.
- The statement –‘It’s likely that I will use online banking constitute towards adoption.
- The most important factor influencing customer satisfaction of E-Banking Services are Costs & Charges (mean = 33.74).
- The least important factor influencing customer satisfaction E-Banking services are privacy (mean=28.81)
- Customer satisfaction of E-banking services are higher for female respondents.
- There is a significant difference between age and customer satisfaction E-Banking of services.
- Customer satisfaction of E-Banking are high for the age group of less than 20 years and above 60 years.
- Customer satisfaction of E-Banking service are high for private banks.
- There is no significant difference between Types of Bank Account and customer satisfaction of E-Banking services
- Customer satisfaction of E-Banking services are high for karur vysya Bank
- There is a significant difference between the banker and customer satisfaction of E-Banking services
- Customer satisfaction of E-Banking services are high for ATM service Availed respondents
- There is a significant association between E-Banking services Availed and customer satisfaction of E-Banking services.

SUGGESTIONS

Public sector Banks should take steps to improve the customer satisfaction of E-Banking services than when compared to private sector banks. Cost and charges can be reduced further. Privacy need to be enhanced in using E-Banking

CONCLUSION

Result of this study support that customer satisfaction is directly affected by age, banker and E-Banking services availed. But it is not affected by Type of Bank. The most important factor influencing customer satisfaction of E-Banking Services are Costs & Charges followed by Trust and Privacy. The least important factor influencing customer satisfaction of E-banking services are Adoption. Overall the Customer Satisfaction of E-Banking Services are good in this study.

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