

A STUDY ON CUSTOMER SATISFACTION ON E-BANKING IN DAKSHINA KANNADA

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ABSTRACT

E-banking facilitate online functioning of banking transaction with at a fraction of time without any interference. In E- world, the banking facilities are increased and adopted new techniques like UPI's and E-money transactions. Through continuous use of the technology the banking sectors are able to upgrade their quality of E-banking services. Generally, we can find customers with varied needs and derived and banks have aim to meet their expectation by providing quality services in speed and efficient manner. Therefore, customer satisfaction is integral part of banking industry. The banks competitive advantage is higher and retained of customer satisfaction in the market with cost effectiveness. From the study, it is understood that most of the respondents are aware of security and satisfied by the E-banking services. E-banking is normally used in day-to-day transactions. For safety measures, customers can use banking app without any fear because less risk involved in terms of fraud.

Keywords: Customer Satisfaction, Banking Services, Quality Services, Customer Retention, Safe and Secure.

Introduction

E-banking industry has been rapidly developing in country like India. Electronic banking is commonly called as internet banking or net banking. It is an online payment system which will be done through websites that provide an array of products and services of any banks that will be possible to work electronically or from the internet- based transactions like transfers, deposits, withdrawals and various payments.

E-banking services are provided on all seven days of a week and it provides 24*7 service. It is a convenient way to handle account information and allied services related to account from the home, office or anywhere and all we need is that stable internet connection.

Banking industry are using the technology to improve the banking operations. Technology based products like ATM, point of sales anywhere, smart card etc. has given the customers to opt for E-banking. By advancing this technology, banks have introduced various systems to facilitate for easy banking transactions. In developing countries like India, we can find the customers who have their own form of expectations. It will be necessary on the part of the banks to offer the quality services to their customers.

Customer satisfaction is all about gaining potential customers by way of giving high quality services. Service quality concentrates to serve the customers. In other words, customer needs will be satisfied when he uses particular service and able to attain complete customer satisfaction out of the service.

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Conceptual Framework

E-banking refers to banking operations, with which the customer can carry-out different transaction through internet, which is completely safe and secure. E-banking encourages paperless or cashless transactions

E-banking provides various services like:

- **Internet Banking:** A banking facility provided to the customers through which the customers are able to perform a number of monetary and non-monetary transactions, using the internet, through the bank's website or application.
- **Mobile Banking:** Almost all the banks have designed their mobile applications with which you can perform transactions at your fingertips. For this, four things are required – a smartphone, internet, mobile application, and mobile banking service enabled in your bank account.
- **ATM:** Automated Teller Machine, popularly known as ATM is one of the most common and initial service, provided under e-banking. It is not just a machine with which you can withdraw cash as and when required, but it also allows you to check your account status, transfer fund, deposit fund, changes mobile number, change Debit Card PIN, i.e., Personal Identification Number.
- **Debit Card:** Debit cards are used in our day-to-day life so as to perform end number of transactions. Debit cards are linked to the customer's bank account and so the customer only needs to swipe the card, in order to make payment at Point of Sale (POS) outlets, online shopping, ATM withdrawal. In this way, the amount is deducted from the customer's account directly.
- **Credit Card:** Just like a debit card, a credit card is also a payment card which the banks issue to the customers on their request, after checking their credit score and history. It enables the cardholder to borrow funds up to the pre-approved limit and make payment. The limit is granted by the banks which issue the card. The cardholder promises to repay the amount within a stipulated time, with some charges, for the use of credit card.
- **Point of Sale (POS):** Points of sale system refers to the point, in terms of date, time and place (retail outlet) where the customer makes a payment, using a plastic card, for the purchase made or services received.
- **Electronic Data Interchange (EDI):** EDI is a new mode of communicating information between businesses electronically using a standardized format, which was conventionally paper-based.
- **Electronic Fund Transfer (EFT):** When money is transferred electronically from one bank to another, it is called as electronic fund transfer. It covers direct debit, direct deposits, wire transfers, NEFT, RTGS, IMPS, etc.

Benefits

- It involves lower transaction cost
- It is time saving because customer need not visit the bank
- It promotes digital payments
- Availability of services throughout the day (24*7)
- It provides the notification and alerts to the customer about the banking transaction
- It facilitates the transparency

Disadvantages of Internet Banking

- No Cashless Deposit Option
- There is no provision for cash deposits. You must visit your nearest bank branch or cash deposit machine to deposit money

Internet Requirement

Your access to Internet banking services can be hindered in the absence of a stable internet connection. It can also be affected when bank servers are down.

Internet Fraud

You could become a victim of internet fraud if you do not comply with the security measures prescribed by the bank, such as not setting strong passwords, sharing passwords, or not logging out from your internet banking account.

Customer satisfaction and E-banking

It refers to the method in which, the banks will evaluate how the products and services supplied will be able to meet customer expectation. It is also defined as how customers will feel delightful while using banking services. Customer satisfaction when combined with E-banking increases the productivity, reduction in cost of banking operations and settlement faster and in larger volumes.

The banks which are able to achieve greater customer satisfaction can easily market their products and services which are inter-linked with various benefits like greater revenue, increased cost - sell rations, higher customer retention and bigger market shares.

Literature Reviews

Amit Kumar Reddy and Dr Maharaja B (2021) has summarized in their study "Impact of E-banking on customer satisfaction". In this article an attempt is made to study about the customer satisfaction in E-banking and examine the impact of various E-banking services adopted by Indian banks. In this study, quantitative approach is used and the data collected is analysed using SEM with AMO's. Further, it is suggested to expand the research to know various ways to increase the reliability of E-banking services within the middle East.

Tilaheen A and Tafa M A (2016) has summarized in their study in "Impact of Electronic banking on customers satisfaction in European banking industry". The case of customers of Dashin and Wogagen banks in Gondar city. In this article, an attempt is made to know the impact of customer satisfaction in comparison with traditional form and the banking in relation with that of customers personal traits like age, occupation and its impact on their branch visits and opportunities and challenges involved in the E-banking. In this study the have used tables and percentages, chi- square independency test, independency t- test and regression analysis to determine customer satisfaction in E-banking. From this study, it was found the youngsters, students, educated and business persons satisfied with the E-banking. Further, research is required to determine the customer satisfaction in E- banking on banks covering other geographical area and include customers, who are not using E-banking services and banks which do not provide E-banking services presently.

Jyothna Sharma, Jagdeep Singh and Ananddeep Singh (2020) has summarized the study on "Impact of E-Banking service quality on customer satisfaction". In this study an attempt is made to study about impact of service quality of E-Banking service services on customer satisfaction. The random sampling technique have been used to customer satisfaction in E-banking. From this study, it is found that factors like responsiveness, security and communication have impact on customer satisfaction on E-banking services. Further study is suggested to know the measure to and improve the quality of E-banking services.

Mudasser Husnain and Areeba Toor (2016) has summarized in their study on "The impact of E-banking on customer satisfaction evidence from banking sector of Pakistan". This study intends to check the impact of E- banking variables on customer satisfaction in Pakistan. There are five quality services dimensions are reliability, responsiveness, assurance tangible and empathy derived from the SERVQUAL model with support of other research forecasters of customer satisfaction in E- banking. Here in this study the authors collected 246 responses from the different banks. From the study they found that there are key dimensions like responsiveness, reliability and assurance.

T S L W Gunavardana and H K T Buddhika (2020) has summarized in their study on "Impact of E- banking on customer satisfaction in private commercial banks in Sri Lanka". In this study the most of the modern banking institutes are using modern practice electronic banking practices for their operations instead of traditional banking practices. Considering the information gathered from secondary data it is observed that Sri Lankan e- service are not in satisfactory level. The purpose of the study aimed at studying the reason why some customers use e- banking system whereas other do not. According to this the research is done in Galle district Sri Lanka. Here for this study, they have collected 150 respondents. According to this study, the findings are, there are two dimensions telephone banking and mobile banking. Mobile banking has negative significant impact on customer satisfaction. The banks have to pay more attention on the improvement of customer satisfaction.

Suresh Kumar (2019) has summarized in his study on "A critical study of customer satisfaction for E-banking in India". In this paper he is trying to fill the significant distance in knowledge about the customer's prospective of internet banking trace its present growth. In this research the data is collected from the survey of internet banking consumer and the services providers and develops a functional model for maximizing value to the consumers. Here the author has collected secondary data. The

conclusion for the study is that most of the banks are aware about the e- banking. And to improve the e - banking service the necessary steps should be taken by educating the customer has to be taken. This will definitely help to the customer retention.

Research Methodology

Research Design

The study conducted was with the help of questionnaire. We have collected 60 respondents from the help of google form and personal interaction has been done with the respondents, and most importantly this survey restricted inly for Dakshina Kannada.

Source of Data

The data is collected from both primary and secondary sources. Primary data is collected through respondents and secondary data is collected from the books and websites.

Data Collection Tool

Questionnaire is used as a measuring tool for survey. The questionnaire consists of 17 questions (2 basic questions like name and email). Questions were set according to the objectives of the survey. Each question has been given suitable answers and needed space is provided to tick for the same. And the data interpretation is done by using pie chart method.

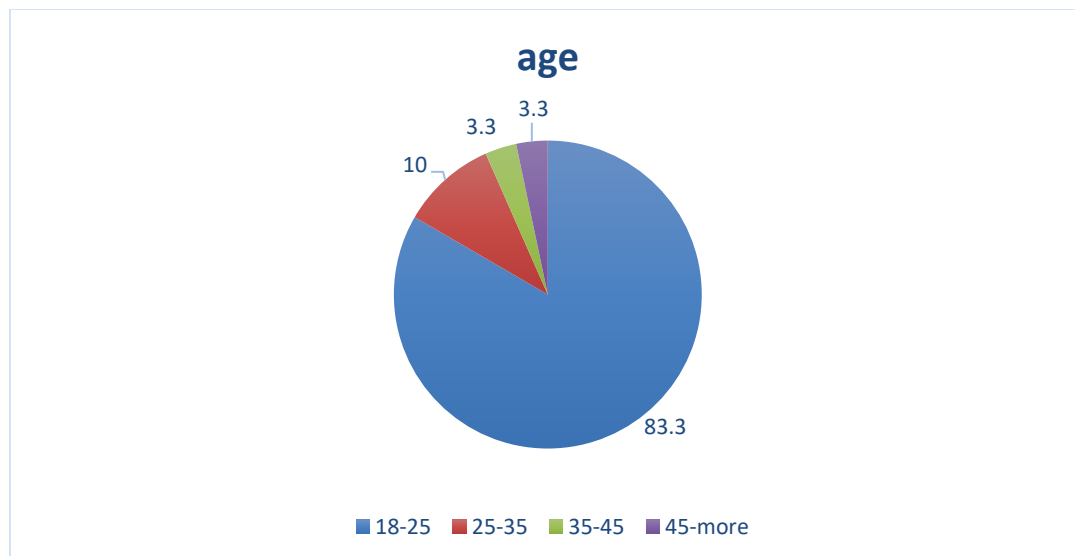
Limitations of the Study

- The present research is restricted to dakshinakannada district only
- The sampling size taken is only 60.
- Respondents might have responded with an actual feeling of facts while giving response to the questions.

Data Analysis and Interpretation

Table 1 showing the age of the respondents:

Age	No of Respondents	Percentage
18-25	50	83.3%
25-35	6	10%
35-45	2	3.3%
45-above	2	3.3%

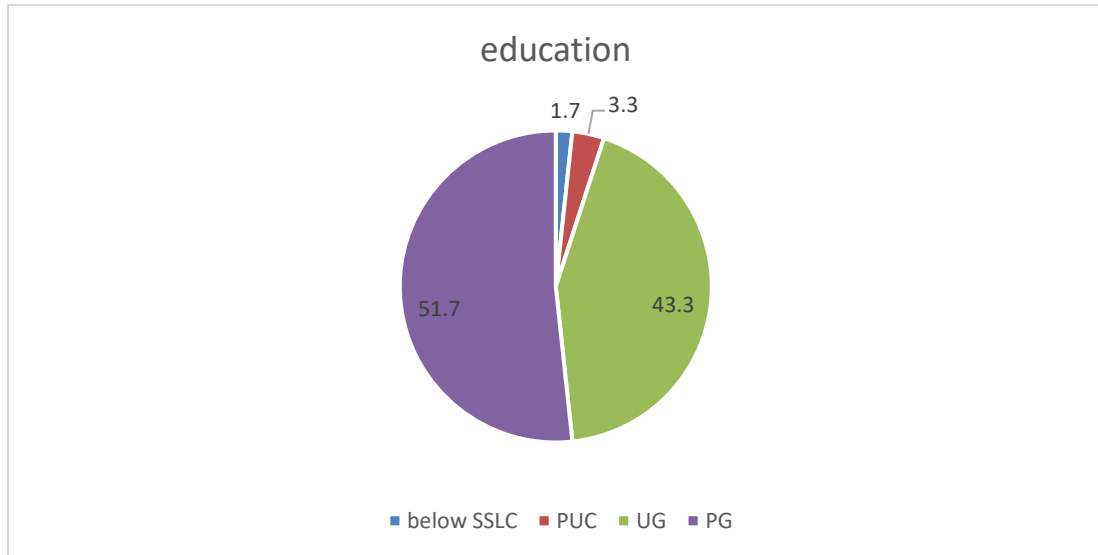


Interpretation

From above graph we can see that the majority 83.3% are from the age 18-25. And 10% are from the age 25-35, 3.3% for two age ranges that is 35-45 and 45-more. From this chart we come to know that majority teenagers are responding to this questionnaire

Table 2 showing the education of respondents

Education	No of Respondents	Percentage
Below SSLC	1	1.7
PUC	2	3.3
under graduate	26	43.3
Post graduate	31	51.7



Interpretation

From the above graph we can see that majority educated are the respondents. Majority Post graduated are the respondents then followed by under graduates and PUC and SSLC.

Table 3 showing the awareness about the E- banking

Level of Awareness	No of Respondents	Percentage
Aware	59	98.3
Not aware	1	1.7
May be aware	0	

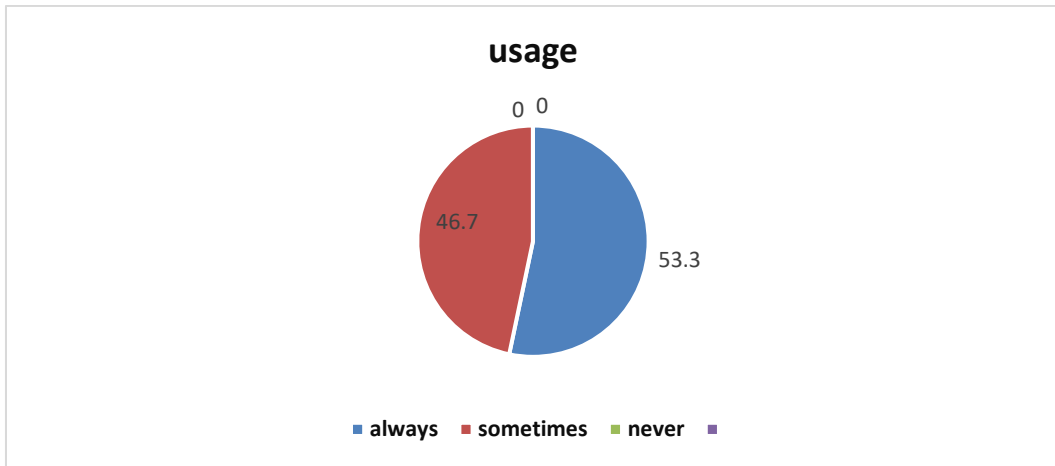


Interpretation

In this study reveals that majority 98.3% are aware about the E-banking. And 1.7% are not aware about the E-banking.

Table 4 showing the usage of E-banking

Usage	No of Respondents	Percentage
Always	32	53.3%
Sometimes	28	46.7%
Never	0	-----

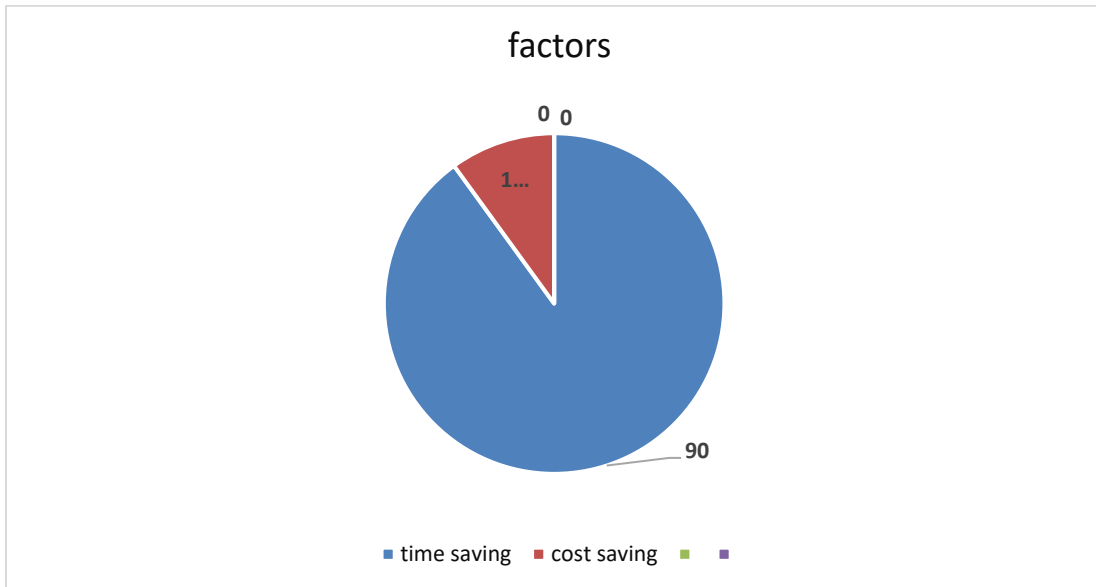


Interpretation

From this above chart the majority of the people always (53.3%) use the E-banking and 46.7% people use the E- banking facility sometimes.

Factors affecting to use the E-banking facility:

Factors	No of Respondents	Percentage
Time saving	54	90%
Cost saving	6	10%

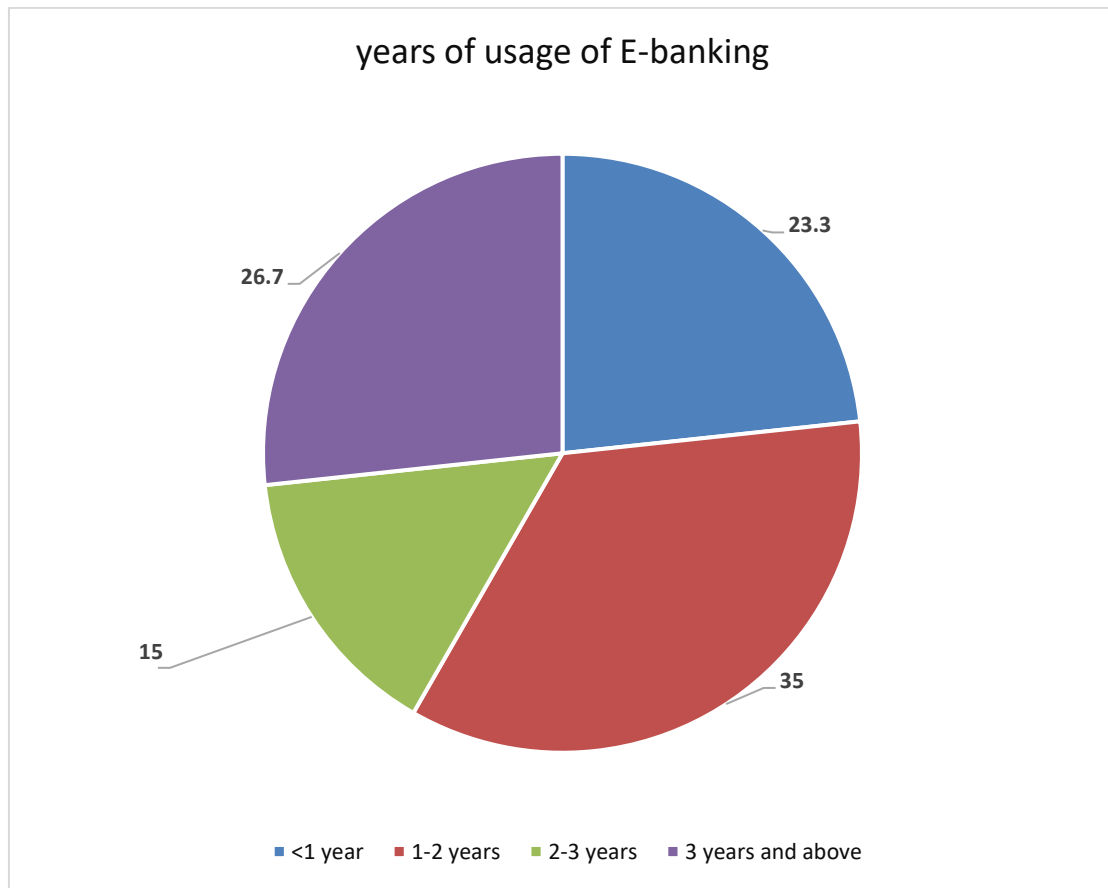


Interpretation

This study reveals that majority respondent opinion about the E- banking is time saving (90%) and remaining 10 % respondents go for cost saving factor.

Table showing the total years of using the E- banking

Years of using the E-banking	No of Respondent	Percentage (%)
Less than 1 year	14	23.3
1-2years	21	35
2-3 years	9	15
3- more	16	26.7

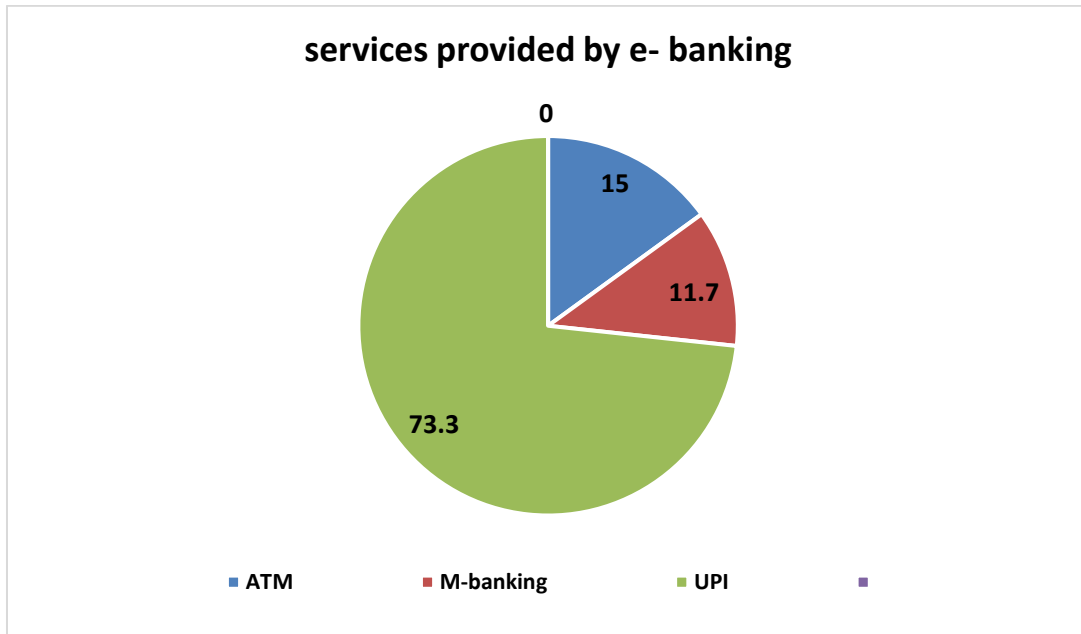


Interpretation

This chart reveals that majority people are using the E-banking from the range of 1-2 years that is 35% followed by 3 and more years(26.7) then 23.3 % respondents are using from less than one year and at the end 15% respondents using from the range of 2-3 years.

Table showing the services often used by the respondents in E-banking.

Services	Respondents	Percentage (%)
ATM	9	15
Mobile banking (BOB)	7	11.7
UPI (Gpay, paytm...)	44	73.3

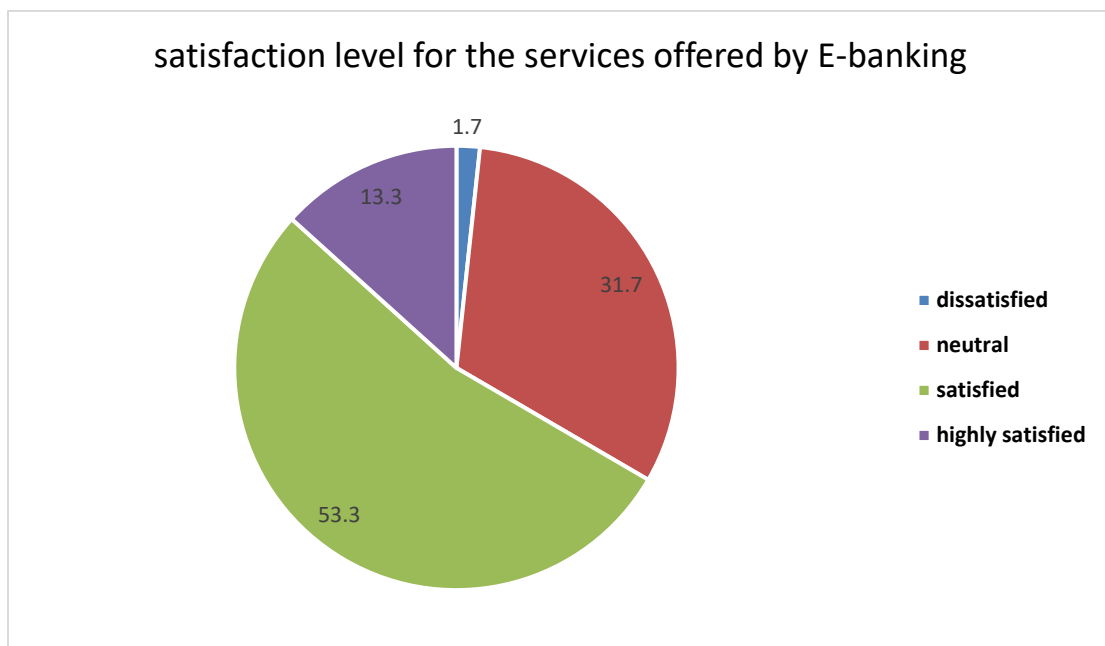


Interpretation

This study reveals that majority respondents are using UPI (73.3%) and some are often using ATM and 7 (11.7%) respondents are Mobile banking oftenly.

Table showing the satisfactory level of the services offered by E-Banking.

Satisfactory Level	No of Respondents	Percentage (%)
dissatisfied	1	1.7
Neutral	19	31.7
Satisfied	32	53.3
Highly satisfied	8	13.3

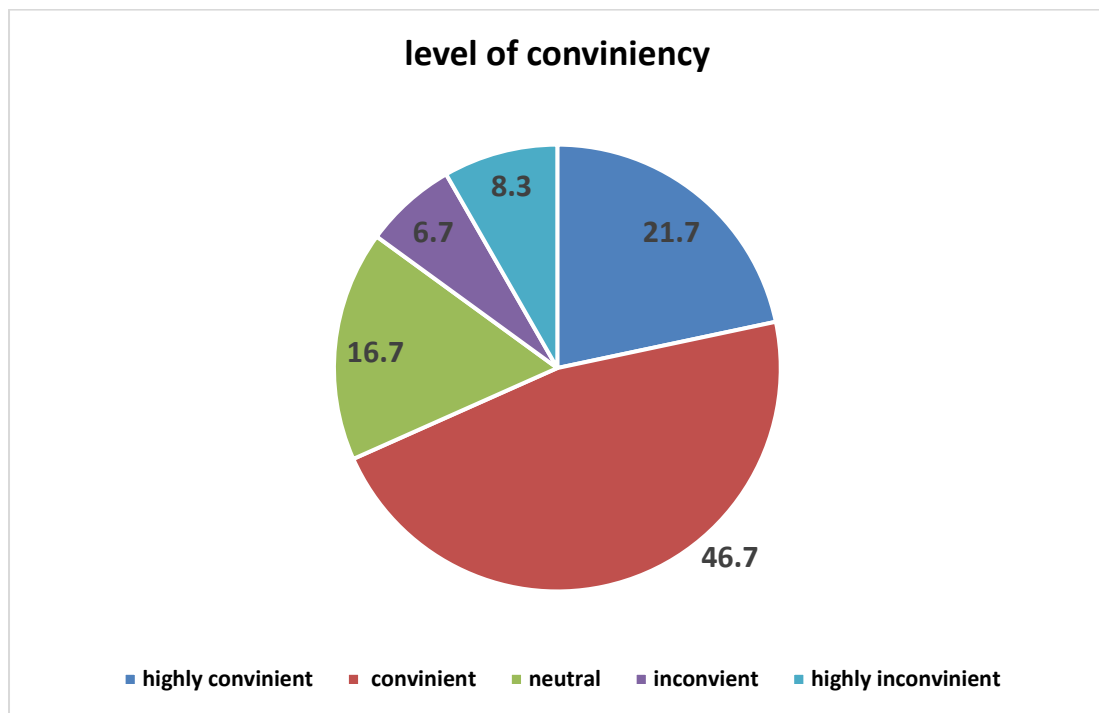


Interpretation

This study reveals that most of the respondents that means 32 satisfied (53.3) with the services provided by the E-Banking. And 19 respondents (31.7) are having the neutral satisfactory level. 8 respondents are highly satisfied (13.3) and only one respondent is dissatisfied with the services offered by E-banking.

Table showing the conveniency in transferring money electronically from one account to another account.

Conveniency	No of Respondents	Percentage (%)
5- highly convenient	13	21.7
4- convenient	28	46.7
3- neutral	10	16.7
2- inconvenient	4	6.7
1-highly inconvenient	5	8.3



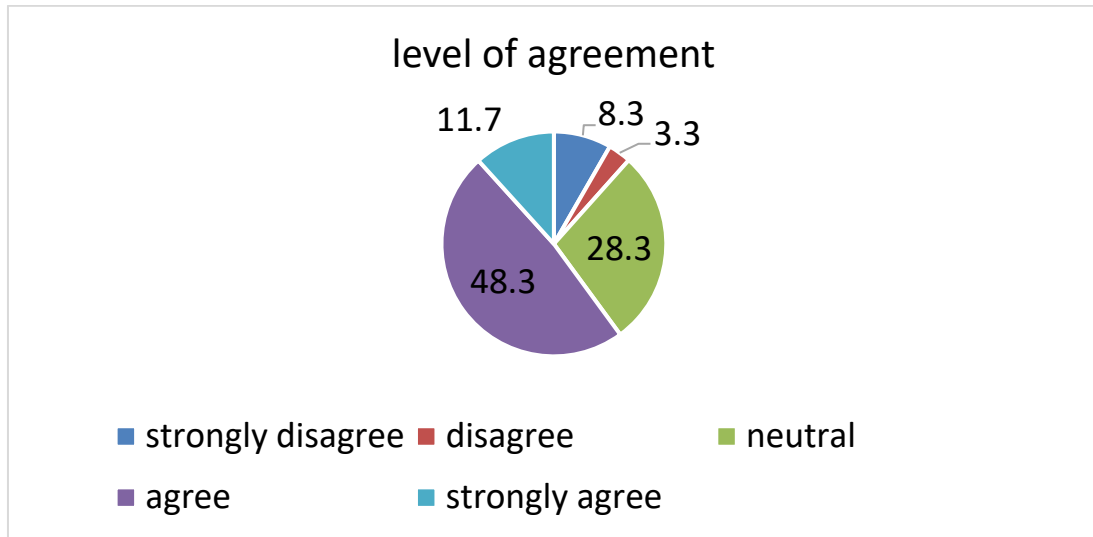
Interpretation

The study reveals that majority of respondents (46.7%) convenient with E-banking money transfer. And 21.7% respondents are highly convenient with E-banking money transfer. Remaining 16.7% are neutral 6.7 % respondents are inconvenient and 8.3% respondents are highly inconvenient with the money transfer facility in E- banking.

Table showing agreement level for the below statement

“Banks encourages to use E-banking to their customers”

Agreement	No of Respondents	Percentage (%)
Strongly disagree	5	8.3
Disagree	2	3.3
Neutral	17	28.3
Agree	29	48.3
Strongly disagree	7	11.7

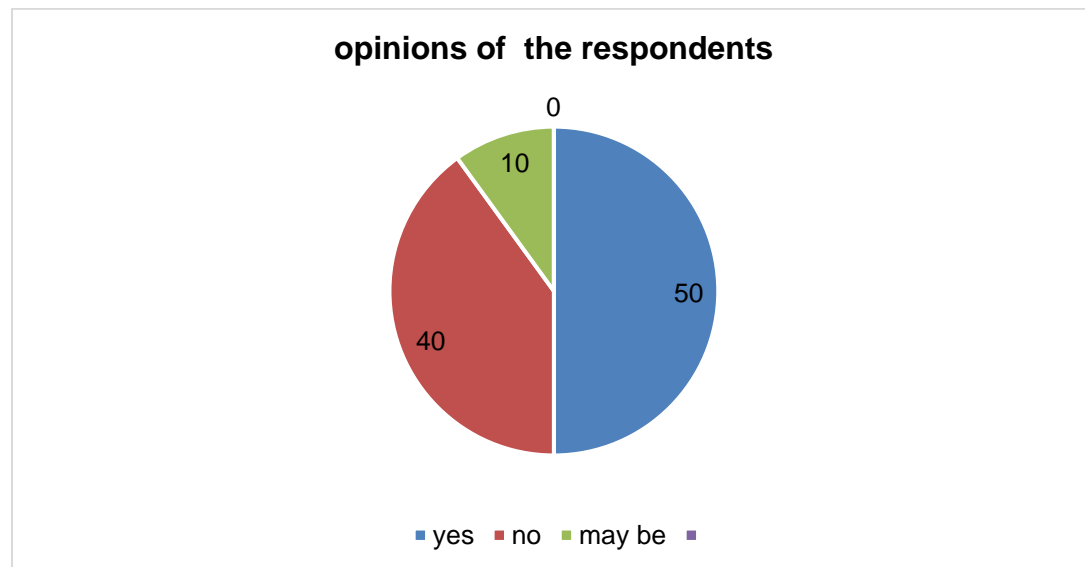


Interpretation

From this study we can see that majority of the respondents (48.3%) are agrees that banks are encouraging for the E- banking. And 28.3% respondents are neutral with the statement. 3.3% respondents are disagreeing with the statement, 8.3% are disagreeing with the above statement and remaining 11.7% respondents are strongly disagreed with the above statement.

Table showing the opinion of the respondents whether the E-banking beneficial to senior citizens

Opinion	No of Respondents	Percentage (%)
Yes	30	50
No	6	10
May be	24	40

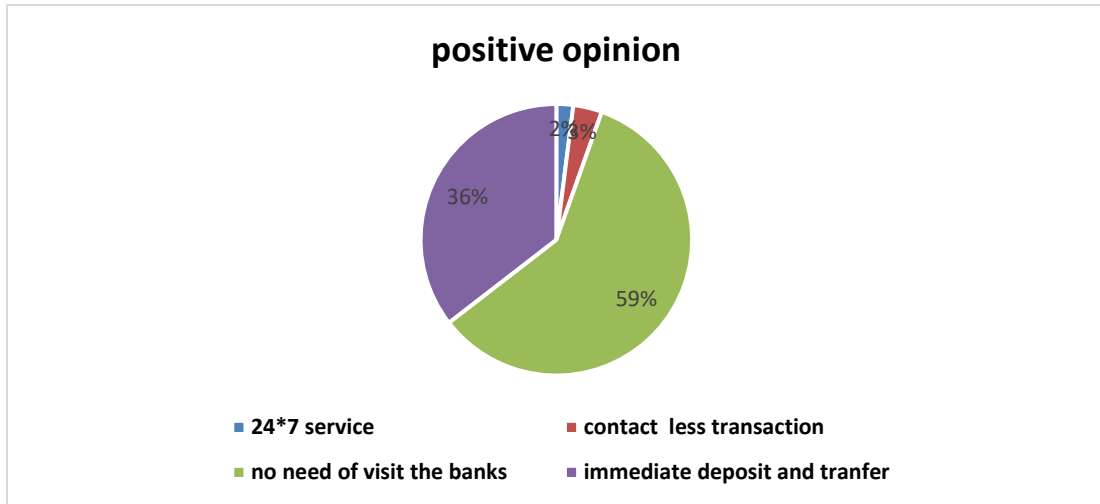


Interpretation

This study reveals that majority respondents' opinion is yes (50%) that means they think the E-banking is benefiting senior citizen. Remaining 40% respondents the are neutral and 10% respondents' opinion is that E-banking is not benefiting the senior citizen.

Table showing the reasons for positive benefits of the respondents for the above question

Reasons	No of Respondents	Percentage (%)
24*7 service	4	17.1
Contactless transaction	1	2.9
No need to visit the banks	15	50
Immediate deposit and transfer	10	30

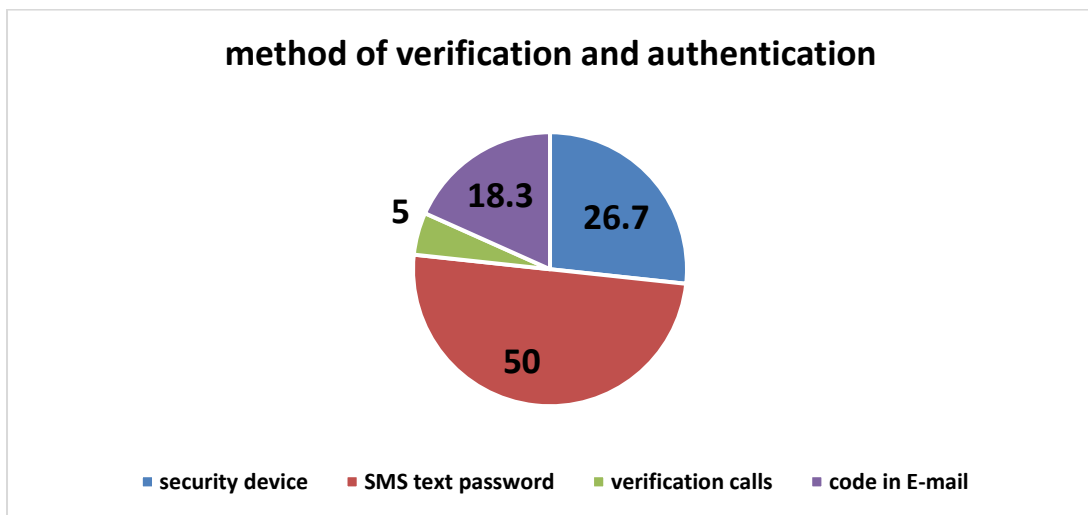


Interpretation

Here majority respondents are agreed that E-banking is beneficial to the senior citizen because no need of going to the banks. Then some respondent’s opinion is immediate deposit and transfer of money, contactless transaction and 24*7 service for this some reason given by the respondents.

Table showing the verification and authentication in E-banking.

Methods of Verification	No of Respondents	Percentage (%)
Security device	16	26.7
SMS text password	30	50
Verification calls	3	5
Code in E-mail	11	18.3

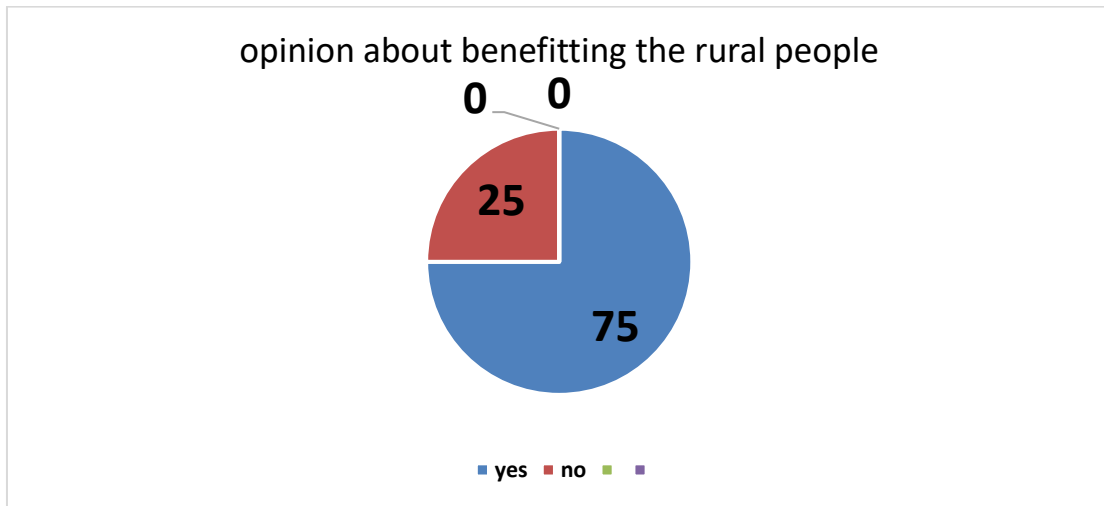


Interpretation

From this study majority people are preferring SMS text password that is 50% and some respondents are preferring security device (26.7%) and other 18.3% respondents are preferring code in mail verification and 5% are preferring for verification calls for verification and authentication.

Table showing whether E- banking is benefitting for rural people.

Opinion	No of respondents	Percentage (%)
Yes	45	75
No	15	25

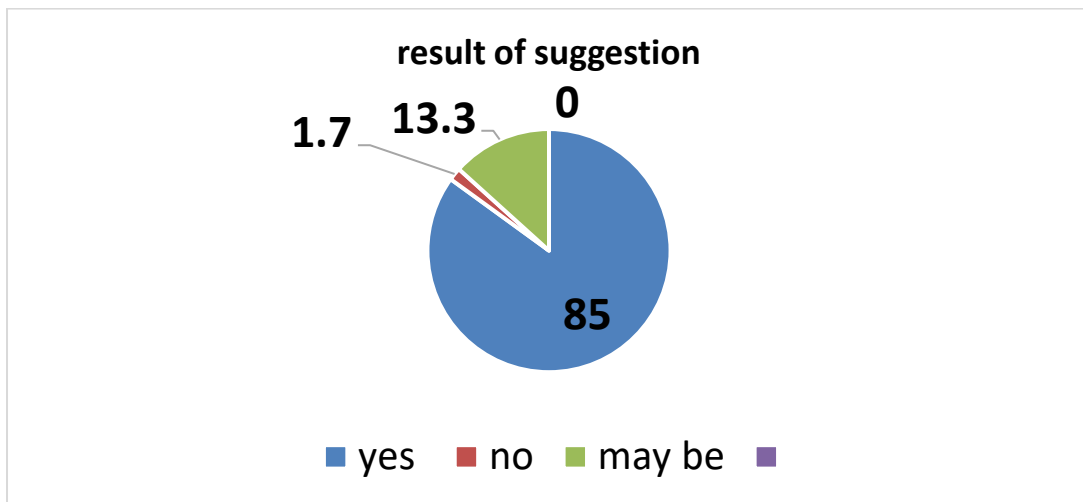


Interpretation

Majority of the people (75%) are agreeing that the E-banking will be benefitting the rural people and rest of 25 % of respondents' opinion is that E-banking is not benefitting the rural people.

Table showing the result of suggesting other people to use E-banking

Results	No of Respondents	Percentage (%)
Yes	51	85
No	1	1.7
May be	8	13.3

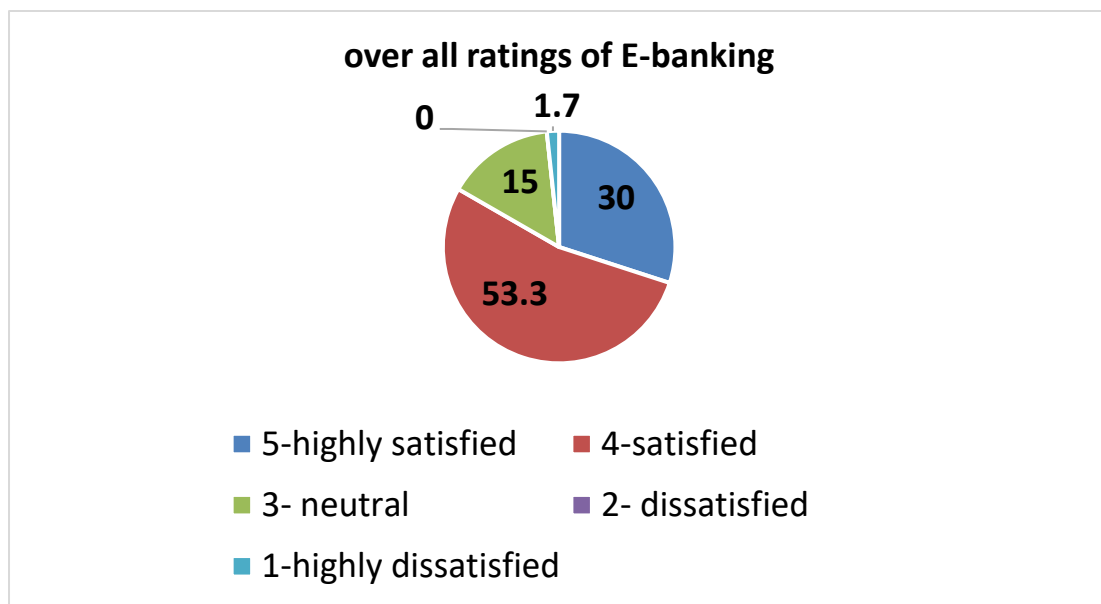


Interpretation

From this we came get to know that majority of the respondents are suggesting others to use E-banking and 13.3% respondents are given neutral response and 1.7 %respondents are not going to suggest others to use E-banking.

Table showing the overall ratings of the E-banking considering all features, benefits and advantages.

Ratings	No of Respondents	Percentage (%)
5- highly satisfied	18	30
4- satisfied	32	53.3
3-neutral	9	15
2-dissatisfied	0	-----
1-highly dissatisfied	1	1.7



Interpretation

This study reveals that majority of the respondents are satisfied (53.3) with the E-banking and 30% are highly satisfied with the E-banking and 15% respondents are neutral with their opinion and remaining 1.7 % respondents are highly dissatisfied with the overall performance of E-banking.

Findings

From this study we came to know that majority of the teenagers are using the E-banking facility than adults. Most of the educated once are supporting for E-banking. Majority of the peoples are aware about the E-banking, and not only that the use E-banking most often. The factor affected then to use E-banking is that time saving. And from this study we can see that E-banking is not a new thing for the society some are using it from more than 3 years. And in E-banking most often used service is UPI. Most of the people satisfied with the service offered by the E-banking. Telling about the conveniency about transferring money electronically from one account to another account is 46.7% respondents are satisfied and 21.7% are highly convenient but other than these are inconvenient with the money transfer. From this we came to know that banks are encouraging customers to use E-banking and also is useful for the senior citizen because they need not to visit the banks, contactless services, 24*7 services and immediate transfer and deposit of funds. Taking the security part into consideration most of the people preferring SMS text password. It is also benefitting the rural people and most of the respondents are willing to suggest to use E-banking for others. And taking all these factors like features, advantages, security issues allover rating of the E-banking is 83.3% are satisfied and highly satisfied. From this we can see that in this busy scenario E- banking is useful to the society

Suggestions and Conclusion

This study reveals that there is a gap in technical knowledge between teenagers and adults, so the adults and senior citizens need some awareness about the technical knowledge. Some respondents not highly satisfied with the services offered by the E-banking, so the banking sector should improve the quality of the services from this improvement they can reach the customer satisfaction. Banks are lacking in meeting the customer requirement banks should support the customers to use E-banking from clarifying their queries on time. There are some responses states that E-banking is not beneficial to senior citizen, so the banks should simplify the procedures in E-banking and there should be some training programs for the rural sector to encourage them to use E-banking

The survey is able to find out that most of the customers in Dakshina Kannada are satisfied with E-banking. And security in E-banking is highly protective. From these securities our transactions are safe and secure. All the transaction we can make it immediately. Taking all this into consideration and taking responses and secondary data into consideration most of the customers are satisfied with the E-banking services.

Further Study

Further study can be made in the field of securities in E-banking.

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