

E-BANKING SCENARIO AND ITS IMPACT ON CUSTOMERS' SATISFACTION IN INDIA

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ABSTRACT

The present study aims to examine the progress of e-banking scenario concerned with ATMs, Internet banking, Mobile banking and Credit cards and their impact on customers' satisfaction by analyzing the problems faced by the customers in India. The analysis shows that among all the e-banking products, Customer Satisfaction Level (CSL) of ATMs is highest and the number of users of ATMs is also highest as compared to other services. Internet banking and credit cards are at second and third position as far as CSL is concerned, but the number of users is more in case of credit cards as compared to Internet banking. Mobile banking is at the lowest position in terms of CSL and also in number of users.

KEYWORDS: E-Banking, Internet Banking, Credit Cards, Mobile Banking, Customers' Satisfaction Level (CSL).

Introduction

Most of the banks today have electronic system to handle their daily voluminous tasks of retrieval, storage and processing of information. Banks by their nature are continually involved in all forms of information management on a continuous basis irrespective of whether they are automated or not. Computer is an established tool for achieving the competitive edge and optimal allocation of resources these days. Competition and the constant changes in technology and life styles of the customers have changed the face of banking. Nowadays, banks are seeking alternative ways to provide and differentiate amongst their varied services. Customers, both corporate as well as retail, are no longer willing to queue in banks, or wait on the phone for the most basic of services. They demand and expect to be able to transact their financial dealings where and when they wish to. With the increasing number of computers every year, electronic delivery of banking services is becoming the ideal way for the banks to meet their clients' expectations. E-banking refers to the effective deployment of IT by the banks. It is about using the infrastructure of the digital age to create immediate opportunities - both locally and globally. For users, it provides current information, 24-hours-a-day access to banking services. It enables the dramatic lowering of transaction costs and the creation of new types of banking opportunities that address the barriers of time and distance. The current web-based variant of banking is the latest of several generations of systems: ATM was the first well-known machines to provide electronic access to customers of retail banks. With advent of ATM, banks are able to serve customers outside the banking hall. Next came phone banking which allowed the customers to interact with their bank by means of a computer. PSBs, which are the foundation of the Indian banking system, account for more than 78 per cent of the assets of total banking industry. Unfortunately, they are burdened with excessive NPAs, massive manpower and lack of modern technology. On the other hand, the PSIBs and PSFBs in

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