



# “A STUDY ON CUSTOMER SATISFACTION FOR DIGITAL BANKING SERVICES OF INDIAN BANKS”

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## **Abstract**

The study I conducted to evaluate and examine the customer satisfaction with digital banking. The purpose of this study is also to observe and analyse the purpose of using digital banking, reason for choosing digital banking services. We collect data from primary data and secondary data collection method. For that we conduct questioner survey by using google form. We collect responds of 250 digital banking services user. The study includes digital banking services user of Vadodara city. For the analyse the data, we have presented by charts and used percentage method. This study aims to measure the satisfaction levels of users towards the digital services provided by the bank. The finding of study established that there is a strong positive relationship between consumer and digital banking. In some case the consumers are not satisfied with digital banking services.

**Key words:** Internet Banking, Electronic Banking, Digital Banking.

## **1. Introduction:**

Digital banking means the digitalization of all traditional activities of bank through ATM machines, debit cards, credit cards, mobile banking, electronic banking, virtual cards and others. With the help this instruments the consumer doing bill payments, with drawls, transfer of payments etc. we also know about our account details at any time without going bank and any time we transfer money at any place and any other account. The banking industry in India expanded with development of country the banking sector contribution development of our country is very large. Digital banking involves high levels of services which is websites, Google forms, immediate transaction services etc. Banks in India are moving conventional banking to conventional banking. Indian government also takes a lot of remarkable actions towards this convenience banking practice. At present, it is moving towards digital banking services. Everything is going to take place in Indian banking sector is based on digitalised banking. Though it was felt to computerization of Indian banking service sector in the year 1980 for the purpose of developing customer service in the convenient and comfortable way. The digital revolution in banking has only just begun. Today we are in phase one, where most traditional banks offer their customers high-quality web and mobile sites/apps. An alternate approach is one where digital becomes not merely an additional feature but a fully integrated mobile experience in which customers use their smart-phones or tablets to do everything from opening a new account and making payments to resolving credit-card billing disputes, all without ever setting foot in a physical branch. The introduction of digital banking has revolutionized the banking sector and modified the whole procedure of simple bank transfers. It has facilitated the customers assisting them to check their account details, pay online bills and transfer money from one account to the other in a faster way. This has helped the end user to enjoy a methodical financial life.

## **2. Objective of the study:**

- To study the level of satisfaction of customer by using digital banking.
- To determine the customer awareness of digital banking.
- To educate the population about the importance of digital banking.
- To study how adaptability of digital banking influences customer satisfaction.

### 3. Research methodology:

In this research, the methodology section indicates that how conduct the research. This includes data collected from people, sample of study and methods cover in primary research. So we mention below the detail information about it.

**Primary data:** The data is collected by the survey method. The survey has been done through questionnaire by Google form.

**Secondary data:** The sources of secondary data are articles, research paper and online sites, websites etc....

**Sample size:** The sample size for this research is 250 people.

**Sampling method:** The method is simple random sampling by considering the responses from Rajkot city only.

**Statistical tools used for analysis:** Graphical method and percentage method have been used for analysis data.

### 4. LITERATURE REVIEW:

- Ameme, B., &Wireko, J. (2016) claimed in his research that in today's competitive world where technology plays a very important role and if we talk about banking sector or industry there is a positive relationship between technology and customer satisfaction. They also stated that satisfaction of customer is not merely introducing if the bank wants to become the market leader in the competitive environment it must use the innovation approach in all the aspects like products and services. Also there is a significant relationship between technological innovation and cost. As the innovation increase the cost is also increase.
- According to the study of kumbhar (2011) showed that the customer satisfaction and adoption of e-banking services depends on the customer demographics. As the high educated, high income, and young generation more prefer the e-banking services. He also indicated the difference between the customer satisfaction level of public and private bank which showed that the private sector provide fast service leading to good service quality.
- Anthony Rahul Golden S. (2017) the article entitled "an overview of digitalization in Indian banking sector". In this article an attempt has been made to study the overview of digitalization in Indian banking sector. The study state that the digitalization is imp tool in banking sector in the age of growth and services as of the upcoming digital era.

### 5. SUMMARY OF DATA COLLECTON:

Variable	Constructs	Frequency of respondents
Gender	Male	182
	Female	68

#### Interpretation:

The above chart classified that Out of total 250 responses 27.2% are Female that is equal to 68 and 72.8% are Male that is equal to 182.

Variable	Constructs	Frequency of respondents
Age	10-20	62
	20-30	122
	30-40	49
	40-50	14
	Above 50	3

#### Interpretation:

The above Chart classified the large number of respondent come from the age group of between 20-30 with 48.8%. we observe that there is very less number of users is come from the age group above 50 with only 1.2%.

Variable	Constructs	Frequency of respondents
Occupation	Student	106
	Employee	50
	Business	55
	Household	39

#### Interpretation:

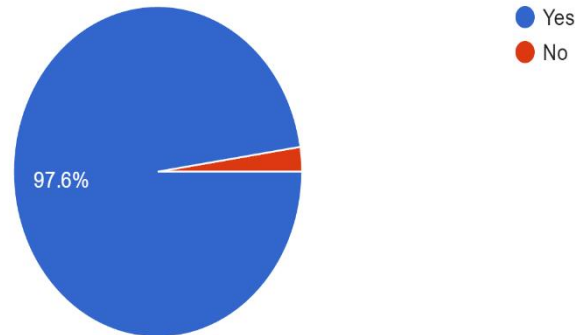
From the above chart we find that majority of customer use digital banking services are students and business with 42.2% and 22% respectively.

### 6. ANALYSIS OF DATA

FOLLOWING ARE THE RESPONSE OF RESPONDENT ON IMPORTANT QUEATUION RELATED TO DIGITAL BANKING SERVICES.

Do you think digital banking services are necessary in present scenario ?

250 responses

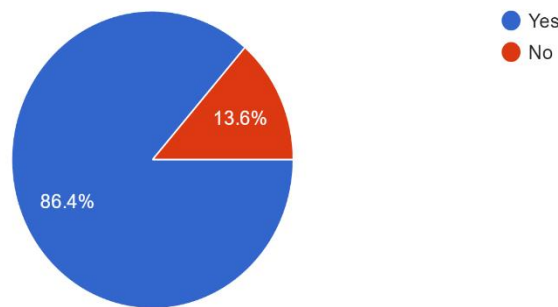


**Interpretation:**

The analysis shows that majority people with 97.6% are says digital banking services are necessary in present scenario.

Are you availing digital banking services ?

250 responses

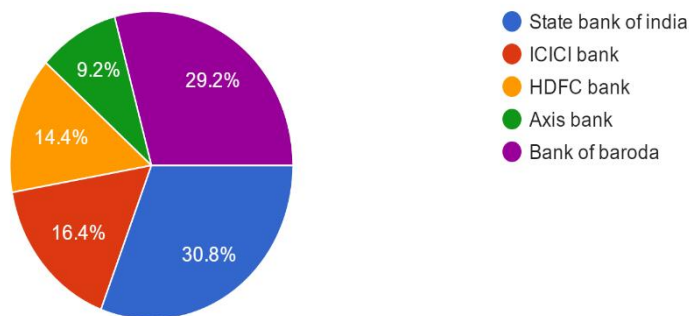


**Interpretation:**

The analysis shows that the majority people with 86.4% are availing digital banking services.

Which banks' Digital banking services do you use ?

250 responses

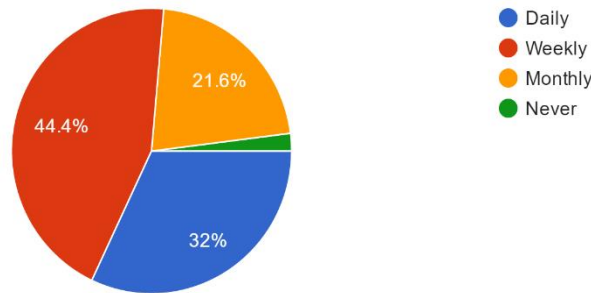


**Interpretation:**

The above chart shows that the majority people are use state bank of India and bank of Baroda with 30.8% and 29.2% respectively and rest of users use ICIC bank, HDFC bank and axis bank with 16.4%,14.4% and 9.2% respectively.

How frequently do you use Digital banking services ?

250 responses

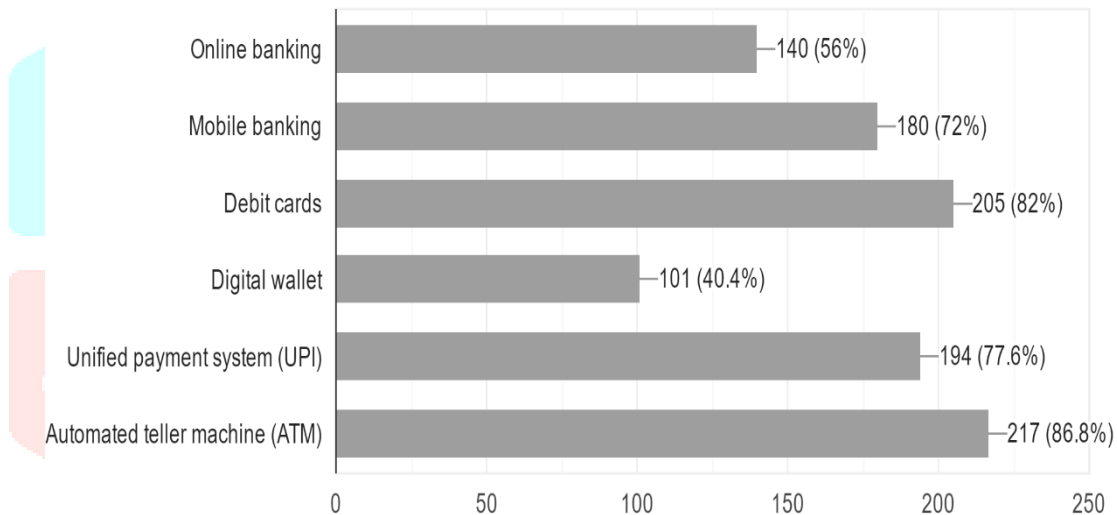


**Interpretation:**

The above chart shows that the majority people are weekly and daily with 44.4% and 32% respectively use frequently digital banking services and follow by 21.6% user are use monthly and rest of 2% never use digital banking services.

Which of the following Digital banking service you are aware of ?

250 responses

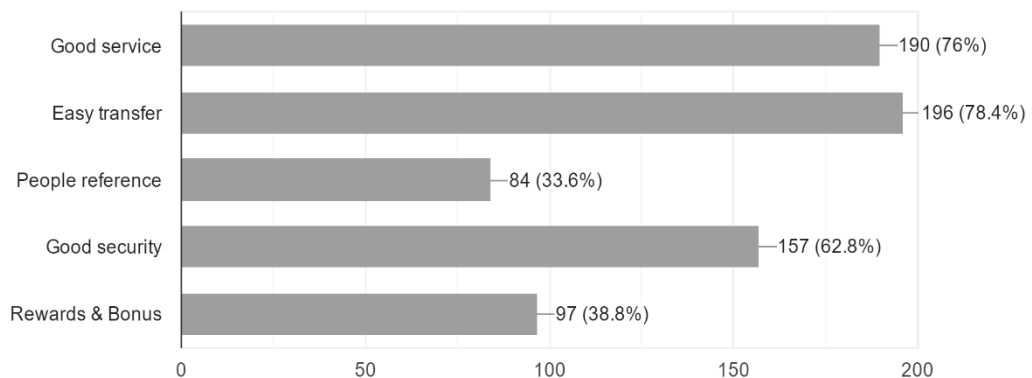


**Interpretation:**

Above graph shows that majority people are aware of ATM and Debit cards with 86.8% and 82% respectively.

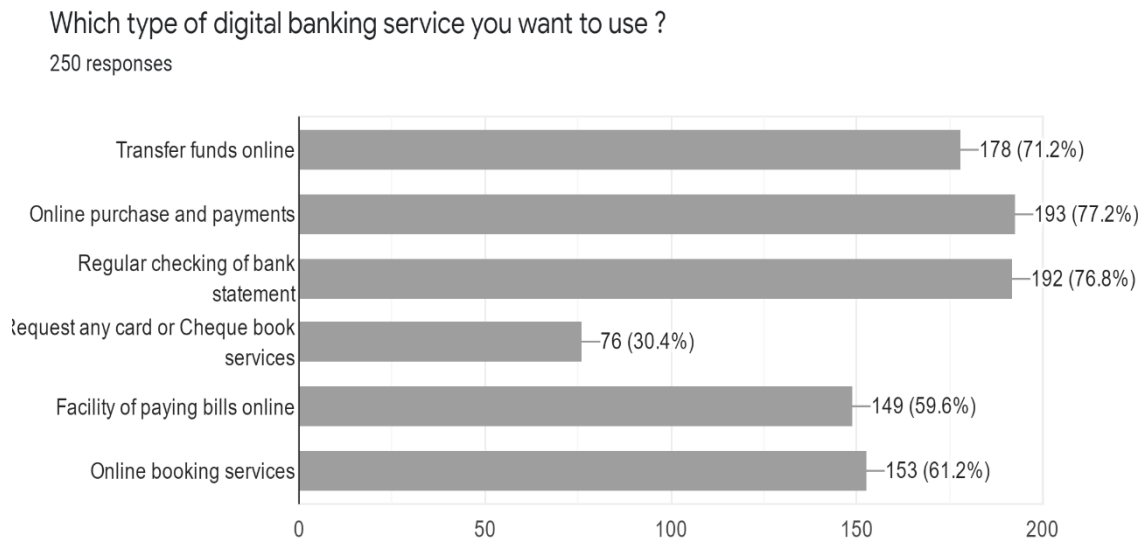
What do you prefer while choosing digital banking services ?

250 responses



**Interpretation:**

Above graph shows that majority people are prefer Good service and Easy transfer with 76% and 78.4% respectively while choosing digital banking services.

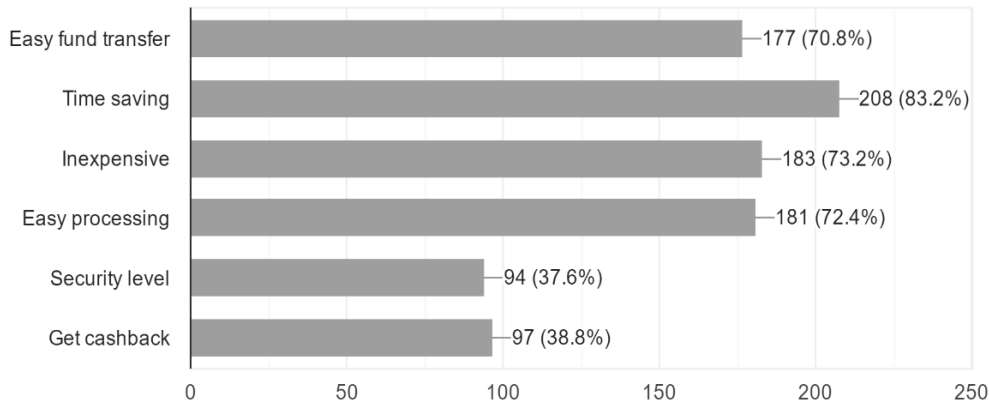


**Interpretation:**

Above graph shows that majority people are want Transfer funds online, Online purchase and payments and Regular checking of bank statement with 71.2%, 77.2% and 76.8% respectively.

Which of the following benefits accrue to you while using digital banking services ?

250 responses

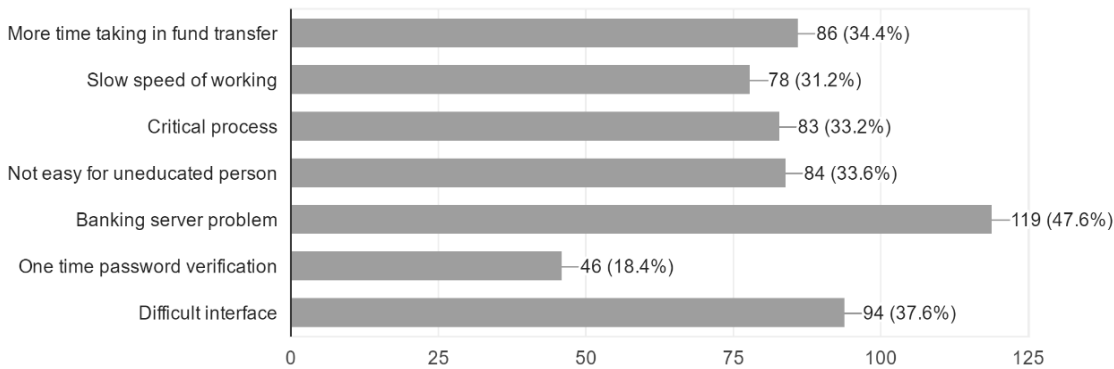


**Interpretation:**

Above graph shows that majority people are benefits accrue Easy fund transfer, time saving, Inexpensive and Easy processing with 70.8%,83.2%,73.2% and 72.4% respectively while using digital banking services.

Which type of problems are you facing while using digital banking services ?

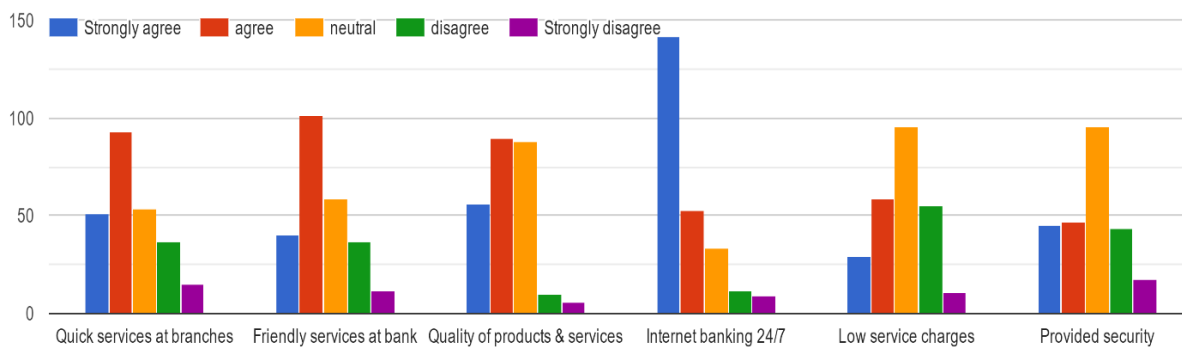
250 responses



**Interpretation:**

Above graph shows that majority people are facing problem in Banking server problem, difficult interface and more time taking in fund transfer with 47.6%,37.6% and 34.4% respectively.

Please rate how important the following elements are in achieving satisfaction.



**Interpretation:**

Above research shows that from this all factors majority users agree that they are satisfied with the Quick services at branches, Friendly services at bank and Quality of products & services.

**FINDINGS:**

- Out of 250 people 182 are male and 68 are female. That’s mean the male have more knowledge about the transactions and having more knowledge about the services provided by the banks. Only working ladies and school-college students having knowledge about that service.
- Most of the respondents who age under between 20-30 are using digital banking services.
- Most of the respondents are students & business man.
- Among 250 respondents 161 people are both students & business man. Because the services are more benefited towards this people.
- It is very interesting to see that 150 people have accounts in SBI and BOB banks. 100 people have accounts in ICICI, HDFC and AXIS banks.
- Among 250 respondents 191 people are use digital banking services daily and weekly.
- Most people have knowledge about Mobile banking, Debit cards, Unified payment system (UPI), And Automated teller machine (ATM) services.
- Most of users prefer Good service, Easy transfer and Good security prefer while choosing digital banking services.

- Users got excellent services from Transfer funds online, Online purchase and payment, Regular checking of bank statement and Online booking services. And other services have not excellent performance like that.
- Most of users got benefit while using digital banking services Time saving, Inexpensive and Easy processing.
- Most of the respondents claim that Slow speed working, Critical process and Banking server problem are the main causes for non-accessibility of online banking by majority of people in their area.
- Most of people satisfied with Internet banking 24/7.

### **LIMITATION OF THE STUDY**

- 1) This study has been conducted purely to understand customer satisfaction of digital banking services.
- 2) This study is only limited to Indian banks.
- 3) Some of the respondents of the survey were unwilling to share information.
- 4) The information given by the respondents might be biased because some of them might not be interested in providing correct information.

### **CONCLUSION**

This study attempted to identify key quality attributes of internet banking services by analyzing internet banking customers & their comments on banking experience. The findings of this study show that despite of many advantages of online banking. People still consider it as an alternative for analyzing their bank records. Although every bank today provides the facility of online banking but most of people use it only once a month. This reason is that in case of internet banking interpersonal interaction with customers is seldom possible. Identification & measurement of customer's expectations of the internet banking services provide a frame of reference & their related quality dimension. The main factors which persuade people to use online banking are comfort & convenience & the facility which attracts them most is quality & quantity of information. Therefore the implementation of quality initiatives should begin with defining customer's need & preferences & their related quality dimensions There is still a lot needed for the banking system to make reforms and train their customers for using internet for their banking account. Going through the survey the main problem lies that still customer have a fear of hacking of accounts and thus do not go on for internet banking. Banks are trying their level best by providing the best security options to the customers but then to there is lot of factors which betrays a customer from opening an internet bank account.

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