A STUDY ON CUSTOMER CONTENTMENT AND SERVICE EXCELLENCE OF SELECT PUBLIC AND PRIVATE SECTOR BANKS IN BALLARI DISTRICT

*Dr. MUBARAK

Assistant Professor, Department of Commerce, VSK University, Post Graduate Centre Nandihalli-Sandur, Ballari District Karnataka

ABSTRACT

The purpose of this article is to investigate the link between service quality and customer satisfaction with internet banking services. This study was based on the responsiveness of select public and private sector bank clients in the Ballari district. This research looks on the relationship between demographics and customer satisfaction in internet banking, as well as the relationship between service quality and customer satisfaction in public and private sector banks' internet banking services. This research is based on both primary and secondary data sources. Through a questionnaire, primary data was obtained from consumers of a few public and private sector banks. The judgment sampling approach is used to pick customers. Chi Square tests, spearman's correlation, and the Mann Whitney U test were used to assess the hypothesis. SPSS software was used to examine the data. According to the report, highly qualified professionals, business people, employees, and people in higher income groups, as well as youths, are quite satisfied with internet banking services and use it frequently. There are considerable disparities in client perceptions of public and private sector banks' internet banking services. Private-sector banks' Internet banking services are of greater quality than those supplied by public-sector banks. As a result, public sector banks should improve their internet banking services to satisfy the needs of their customers.

I. INTRODUCTION

Banks play a critical and active part in a country's financial and economic development. An efficient banking system has a significant impact on a country's economic progress in numerous industries. In today's global marketplace, banking professionals face a plethora of complicated issues. To compete more successfully with global corporations, banks must better comprehend changing client expectations and use cutting-edge information technology systems (Malhotra & Mukherjee, 2004). In the banking industry, e-services are transforming the way individuals do business. Electronic-based business models are displacing traditional banking systems, and nearly all banks are rethinking their business process architectures and customer relationship management strategies. It's also known as electronic banking or online banking, and it provides a number of Internet e-channels for accessing banking services like ATMs, credit cards, debit cards, internet banking, mobile banking, electronic currency transfers, and electronic clearing services, among others. ATMs, on the other hand, are more commonly employed in India's e-banking landscape than other e-channels. On the other hand, internet banking is one of the most effective alternatives to traditional banking.

In 1997, ICICI Bank Limited debuted "Infinity," an internet banking service, followed by HDFC Bank Limited in September 1999. However, a number of public and scheduled commercial banks have recently taken the lead in this area. The internet is a network of banks, financial institutions, and other sealers that is frequently referred to as web-based banking. It can be used by customers for electronic payments and settlements. It denotes the most practical application of information technology as a universal communication channel. It has resulted in significant changes in the financial industry. In India, there is a significant increase in internet users.

Delivering high-quality services by banks has a beneficial impact on client satisfaction and directly adds to the banking industry's profitability. Customer satisfaction and service quality are critical components in any organization's external relations system. Good service quality benefits the banking industry by improving its image, increasing customer satisfaction, increasing cross-selling opportunities, reducing customer defection, increasing the likelihood of word-of-mouth (WoM) recommendations, and facilitating the retention of long-term and

valuable customers (Cronin et al., 2000). Maintaining and creating long-term customer relationships is critical for competitive business in today's banking system.

II. OBJECTIVES OF THE STUDY

a) To look at the link between the quality of internet banking services and client happiness.

b) To investigate client demographics and satisfaction with internet banking.

c) To analyse consumer satisfaction with internet banking services provided by public and private sector banks.

III. HYPOTHESIS OF THE STUDY

a) H0: Demographic characteristics have no effect on overall consumer satisfaction with Internet banking services.

b) H a: The overall satisfaction of clients with Internet banking services varies based on demographic characteristics.

c) HO: In Internet banking, there is no substantial association between service quality aspects and overall customer happiness.

d) H a: In Internet banking, there is a considerable association between service quality aspects and overall client satisfaction.

e) HO: There is no discernible difference in perceptions of service quality in online banking services provided by public and private sector banks.

f) H a: The perception of service quality in public and private sector banks' internet banking services differs significantly.

IV. RESEARCH METHODOLOGY

This research is based on both primary and secondary data sources. Through a questionnaire, primary data was obtained from customers of a few public and private banks in the Ballari district. The judgment sampling approach is used to pick customers. The total number of people who took part in this study was 150. In the study area, there are 75 respondents from public banks and 75 from private banks. Secondary data was gathered from books, journals, newspapers, and publicly available web sources, among other places. Chi Square tests, spearman's correlation, and the Mann Whitney U test were used to assess the hypothesis. SPSS software was used to examine the data.

V.   RESULTS AND DISCUSSION

INTERNET BANKING USERS' DEMOGRAPHIC PROFILE

Men (81.2%), with ages ranging from 25 to 35 (34.7%), 36 to 50 years (34.8%), graduates (49.5%), postgraduates (41.1%), businesspeople (36.4%), and employees (36.4%), comprised the majority of internet banking users, according to the statistics (36.4 percent). According to the research, the majority of users were from the middle income bracket. The Rs 3 to Rs 8 lacs annual income group accounted for 56.45 percent of users, 18.30 percent for the Rs more than 8 lacs annual income group, and the balance for the Rs less than 3 lacs annual income group.

Hypothesis 1: Demographic Variables Have No Effect on Overall Consumer Satisfaction with Internet Banking Services.

The Hypothesis Test Summary (Kruskal Wallis H Test) is shown in the table (Demographics and Overall Customer Satisfaction)							
	Null Hypothesis	**N**	Calculated Value X^2	**Table Value X^2**	**df**	**Sig.**	**Decision**
H^1a	Gender	150	0.232	3.841	1	.462	Accept H_o
H^1b	Age	150	12.543	9.488	4	.020	Reject H_o
H^1c	Education	150	11.561	9.488	4	.027	Reject H_o
H^1d	Profession	150	13.145	9.488	4	.022	Reject H_o
H^1e	Earnings	150	7.255	12.592	6	.299	Accept H_o
The level of significance is set at 5%.							

(Source: Field survey)

Hypothesis 2: There is no significant relationship between Internet Banking Service Quality Dimensions and Overall Customer Satisfaction.

The correlation between service quality dimensions and customer satisfaction (Spearman's Correlation) is shown in the table.		
		Overall Satisfaction
Overall Contentment	r	1.000
	Sig. (2-tailed)	.
Availability of the System	r	.519**
	Sig. (2-tailed)	.000
E-Fulfilment	r	.547**
	Sig. (2-tailed)	.000
Accuracy	r	.573**
	Sig. (2-tailed)	.000
Efficiency	r	.560**
	Sig. (2-tailed)	.000
Security/Assurance	r	.594**
	Sig. (2-tailed)	.000
Responsiveness	r	.208**
	Sig. (2-tailed)	.005
Simple to Use	r	.585**
	Sig. (2-tailed)	.000
Convenience	r	.598**
	Sig. (2-tailed)	.000
Efficiency in terms of cost	r	.541**
	Sig. (2-tailed)	.000
Problem Solving	r	.646**
	Sig. (2-tailed)	.000
Compensation Overall Contentment	r	.324**
	Sig. (2-tailed)	.000
	r	.626**
	Sig. (2-tailed)	.000
Correlation is significant at the 0.01 level (2-tailed) and at the 0.05 level (2-tailed) (2-tailed).		

(Source: Field survey)

The correlation test was employed to evaluate the hypothesis of the investigation. The spearman's rho non-parametric correlation test was used to analyse the relationship between each of the service quality categories and total customer satisfaction in Internet banking. Multiple correlation tests are useful for finding the link between a large number of independent variables and a single dependent variable. As a result, the null hypothesis was rejected using the spearman's rho non-parametric correlation test, which demonstrated a significant relationship between all categories and overall customer satisfaction. As a result, the null hypothesis (H2) was rejected, whereas the alternative hypothesis (H1) was accepted. Except for responsiveness, other attributes are significantly linked to overall customer satisfaction, as seen in

the table above. As a result, the alternative hypothesis was accepted whereas the null hypothesis was rejected.

Hypothesis 3: There Is No Significant Difference In Online Banking Service Quality Perception Between Public And Private Sector Banks.

Table shows the Hypothesis Test Results

	Null Hypothesis	Z	U Test	Std. Error	Mean Rank		Sig.	Decision
					Pvt.	Pub.		
1	The availability of Internet Banking in public and private sector banks is the same.	1.748	136.5	21.690	19.15	13.68	092	Accept the H$_o$
2	In both public and private sector banks, fulfilment of Internet Banking Services is the same.	2.215	145	22.154	20.00	13.25	042	Reject the H$_o$
3	In both public and private sector banks, the efficiency of Internet Banking Services is the same.	1.258	121	21.883	17.60	14.45	337	Retain the H$_o$
4	In both public and private sector banks, security and assurance in Internet Banking Services are the same.	-1.265	64	22.430	11.90	17.30	108	Retain the H$_o$
5	In both public and private sector banks, responsiveness to Internet Banking Services is the same.	-2.663	150	22.105	20.50	13.00	024	Reject the H$_o$
6	In both public and private sector banks, Internet Banking Services are simple to use.	1.452	139	22.245	19.40	33.55	080	Retain the H$_o$
7	In both public and private sector banks, the convenience of Internet Banking Services is the same.	1.328	81	22.152	13.60	16.45	391	Retain the H$_o$
8	In both public and private sector banks, the cost effectiveness of Internet Banking Services is the same.	-1.231	102.5	22.435	15.75	15.38	911	Retain the H$_o$

9	Problem Solving In terms of Internet Banking Services, both public and private sector banks offer the same services.	2.288	145	20.830	20.00	13.25	031	Reject the H_o
10	In both public and private sector banks, compensation facilities for Internet Banking Services are the same.	-1.852	100	00.000	15.50	15.50	1.00	Retain the H_o
11	In both public and private sector banks, contact facilities for Internet Banking Services are the same.	2.359	146.5	21563	20.15	13.18	031	Reject the H_o
	The asymptotic significances are shown. The significance level for this study is.05.							

(Source: Field survey)

VI.   RECOMMENDATIONS AND CONCLUSION

According to current research, one of the most important elements influencing the use of internet banking services is the demographics of the clients. Overall, the results suggest that highly educated people, employees, businessmen, and people in higher income groups, as well as younger people, use this service; nevertheless, the remainder clients do not. These factors influenced not just the utilisation of internet banking, but also the general happiness of internet banking consumers. As a result, there is a need to simplify internet banking services and encourage lower-literate as well as other people to utilise them. Banks should make an effort to educate their remaining clientele who aren't taking use of this service. The findings also imply that overall satisfaction among employees, businesspeople, and professionals is higher in internet banking services; this suggests that other users are unsatisfied with the service, and the bank should be informed of the problems. Also, try to remove those hurdles, as well as other difficulties, in order to improve the rest of the customers' pleasure. There is a substantial variation in customer perceptions of public and private sector banks' internet banking services. Internet banking services given by private sector banks are of higher quality than those provided by public sector banks. As a result, public sector banks should upgrade their internet banking services to meet client expectations.

VII.   REFERENCES

1. Abdullah, R. B., Ismail, N. B., Rahman, A. F. B. A., Suhaimin, M. B. M., Safie, S. K. B., Tajuddin, M. T. H. M., & Nair, G. K. S. (2012). The relationship between store brand and customer loyalty in retailing in Malaysia. Asian Social Science, 8(2), 171.

2. Ali, M., & Raza, S. A. (2015). Measurement of service quality perception and customer satisfaction in Islamic banks of Pakistan: Evidence from Modified SERVQUAL Model.

3. Anderson, R. E. (1973). Consumer dissatisfaction: The effect of disconfirmed expectancy on perceived product performance. Journal of marketing research, 10(1), 38-44.

4. Arasli, H., Mehtap-Smadi, S., & Katircioglu, S. T. (2005). Customer service quality in the Greek Cypriot banking industry. Managing Service Quality: An International Journal.

5. Cronin Jr, J. J., Brady, M. K., & Hult, G. T. M. (2000). Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments. Journal of retailing, 76(2), 193-218.

6. Dick, A. S., & Basu, K. (1994). Customer loyalty: toward an integrated conceptual framework. Journal of the academy of marketing science, 22(2), 99-113.

7. ournier, S., & Mick, D. G. (1999). Rediscovering satisfaction. Journal of Marketing, 63(4), 5-23.

8. Gremler, D. D., & Brown, S. W. (1999). The loyalty ripple effect. International Journal of Service Industry Management.

9. Herington, C., & Weaven, S. (2007). Can banks improve customer relationships with high-quality online services?. Managing Service Quality: An International Journal.

10. Hu, H. H., Kandampully, J., & Juwaheer, T. D. (2009). Relationships and impacts of service quality, perceived value, customer satisfaction, and image: an empirical study. The service industries journal, 29(2), 111-125.

11. Kang, G. D., & James, J. (2004). Service quality dimensions: an examination of Grönroos's service quality model. Managing Service Quality: An International Journal.

12. Kettinger, W. J., & Lee, C. C. (1997). Pragmatic perspectives on the measurement of information systems service quality. MIS Quarterly, 223-240.

13. Kumar, V., Aksoy, L., Donkers, B., Venkatesan, R., Wiesel, T., & Tillmanns, S. (2010). Undervalued or overvalued customers: capturing total customer engagement value. Journal of service research, 13(3), 297- 310.