



# A STUDY ON CUSTOMER SATISFACTION TOWARDS E-BANKING SERVICES OF HDFC BANK

Dr. Annet Pearl  
Assistant Professor  
Department of Commerce  
Madras Christian College  
Tambaram East

Shoba Jasmin J  
Student  
II M.com (COBA)  
Department of Commerce (SFS)  
Madras Christian College  
Tambaram East

## ABSTRACT

Electronic banking is the electronic means of interaction between bankers and the public (customers). E-banking enables encrypts transaction over the internet of the customers. India is more digitalized, which is crucial for banks offering e-banking services to their customers. E-banking services offer a lot of convenience to both parties participating in this platform. HDFC Bank customer satisfaction with e-banking services was analysed. The sample size of the study was 102 respondents. The data for this study was of two types. It is primary data and secondary data. Primary data collected through online questionnaires. Secondary data was collected from books, journals, articles, magazines, etc., The convenience sampling method is used to select the sample. The aim of this study is to determine the use of e-banking services based on age and to determine the platform most frequently used by customers for accessing e-banking services. The statistical tool used to analyse the data was percentage analysis, t-test and Garrett Ranking. The results of this study show that the majority of electronic banking users in this age group are under 25 years old. The most common platform for using the e-banking service is mobile. This research concluded that banks need to work to provide good server services and require two-factor authentication for securities.

**Keywords:** e-banking, customer satisfaction and risks.

## INTRODUCTION

### E-BANKING

The term "e-banking," which is another name for online or electronic banking, describes the process of providing banking services and transactions over electronic channels, mainly the internet. Customers can use it to do a range of banking tasks from a distance without having to go to a local bank location. Typical features and services provided by online banking include:

**Account management:** Users can access online statements, transaction histories, and account balances.

**Money Transfers:** Through e-banking, users can move money between their own accounts, to accounts at different banks, or to accounts at other financial organizations.

**Payment of Bills:** Consumers have the option to make electronic payments for a variety of bills, such as credit card, utility, and loan payments.

**Mobile Banking:** A lot of banks provide their clients with smartphone apps that let them access banking services.

**Online Applications:** Clients can apply online for a number of banking services and products, including new accounts, credit cards, and loans.

**Electronic Statements:** Customers have the option to receive electronic statements via email or their online banking site in place of printed statements via postal mail.

**Alerts and Notifications:** Users of e-banking platforms can frequently configure alerts and notifications for a range of account activity, including big purchases, low balances, and attempted account logins.

**Investment Services:** Buying and selling stocks, managing investment portfolios, and accessing market data and analysis are all made possible by some e-banking platforms.

Customers and banks can profit from e-banking in a number of ways, including cost-effectiveness, efficiency, accessibility, and convenience. But there are also risks associated with it, such security issues. It does, however, come with some hazards, including security issues with regard to identity theft, online fraud, and cyberattacks. Banks use a range of security techniques, including multi-factor authentication and encryption.

### CUSTOMER SATISFACTION

The measurement of how well a company's goods and services meet or exceed the expectations of its clients is known as customer satisfaction. Because happy customers are more likely to use the service again, recommend it to others, and leave positive reviews and testimonials, it's an important indicator for businesses. The following are some crucial details about client satisfaction:

**Importance:** A successful business depends on happy consumers. Their cultivation of loyalty and favorable word-of-mouth marketing contributes to long-term profitability and sustainability.

**Measurement:** A number of techniques, like as surveys, feedback forms, reviews, and net promoter score (NPS) evaluations, can be used to gauge customer satisfaction. These resources assist companies in assessing their level of customer satisfaction and pinpointing areas in which they may make improvements.

**Factors:** A number of factors, including as product quality, pricing, customer service, convenience, brand reputation, and overall customer experience, affect consumer happiness.

**Continuous Improvement:** Companies should always work to increase customer satisfaction by paying attention to what customers have to say, responding quickly to complaints, and making the required changes to their offerings in terms of goods, services, and procedures.

**Effect on Business Performance:** Increased sales, lower customer attrition, better customer retention, and enhanced profitability are all frequently brought about by high levels of customer satisfaction. On the other hand, low satisfaction can lead to a decline in sales, unfavourable reviews, and reputational harm for the company.

**Employee Engagement:** Providing outstanding client experiences is greatly influenced by employee happiness and engagement. Employees that are content and driven are more likely to deliver superior customer service, which raises customer satisfaction levels.

## HDFC BANK

One of India's biggest banks in the private sector is HDFC Bank Limited. With its headquarters located in Mumbai, Maharashtra, India, the company was founded in 1994. Retail banking, wholesale banking, and treasury operations are just a few of the many banking and financial services that HDFC Bank provides to its clients.

Savings accounts, current accounts, fixed deposits, loans (including home, auto, and personal loans), credit and debit cards, investment services, insurance products, and wealth management services are a few of the main services offered by HDFC Bank.

In addition to its extensive domestic network of branches and ATMs, HDFC Bank is becoming more globally recognized. It has built a solid reputation throughout time for its cutting-edge products, effective customer support, and strong technological infrastructure.

Customers may manage their accounts with ease and flexibility thanks to HDFC Bank's extensive variety of e-banking services. These are a few of the main online banking services that HDFC Bank provides:

**Net Banking:** Customers of HDFC Bank can access their accounts online and carry out a range of banking operations, including paying bills, making fixed deposits, monitoring account balances, transferring money between accounts, and managing investments.

**Mobile Banking:** Customers can effortlessly conduct banking transactions using their smartphones or tablets by utilizing HDFC Bank's specialized mobile app, which offers mobile banking services. Using the smartphone app, users may find nearby ATMs and branches, pay bills, check account balances, transfer money, and recharge mobile devices.

**SMS Banking:** Customers can use HDFC Bank's SMS banking services to get real-time alerts and updates on their account balances, transactions, and other crucial information.

**Phone Banking:** By contacting the bank's customer service numbers, clients can use HDFC Bank's phone banking services. Customers can block lost or stolen cards, check account balances, get account statements, and carry out a number of other banking tasks over the phone with phone banking.

**Online Bill Payment:** Customers may conveniently pay their credit card bills, energy bills, insurance premiums, and other bills online with HDFC Bank's e-banking platform. With their HDFC Bank accounts, customers can set up one-time or recurring payments.

**E-Statements:** Rather than sending paper account statements by mail, HDFC Bank offers its clients electronic account statements, or e-statements, which they can see and download online.

**Online Trading:** HDFC Bank provides its clients with online trading services via its trading platform, enabling them to purchase and sell stocks, bonds, mutual funds, and other assets via the internet.

**Online Loan Applications:** Through HDFC Bank's e-banking platform, customers can apply online for a variety of loans, including personal, house, auto, and business loans. Customers can monitor the status of their loan applications online and find the online application process simple.

## REVIEW OF LITERATURE

A literature review is an evaluative report of information found in related area of the study. The review must describe, summarise, evaluate and clear view of the existing literature. It gives a theoretical base for the research and helps the upcoming author or research to determine the nature of the study or research.

**Chandrasekar M R, Srinidhi B (2023)<sup>1</sup>** A Study on Customer Satisfaction Towards HDFC Banks in Coimbatore City among 145 respondents. The study aims to find out the customers preference out of the different products and services offered by HDFC bank. The statistical tools used in this research is Simple Percentage analysis, Rank analysis, Weighted average analysis and Chi- Square analysis. From this study, it was found that Bank has modern-looking equipment and fixtures that ranks first and Notice Boards have proper information ranks the bottom. HDFC bank should try to create more awareness among people through advertisement and other media. The bank focuses more on customer satisfaction.

**Deepa Nandhini N, Sripriya D, Dr M Prakash (2023)<sup>2</sup>** A study on customer satisfaction towards e- banking services with special reference to Axis bank among 100 respondents. The study aims to assess the level of customer satisfaction towards e-banking services provided by Axis Bank. The statistical application used in this research is SPSS to analyse the study. In conclusion, this study will provide valuable insights into the level of customer satisfaction towards e-banking services provided by Axis Bank, which can be used by the bank to improve their e-banking services and enhance customer satisfaction.

**Prabahan Puzari, Sandeep Bisht, Nikita Bharucha (2023)<sup>3</sup>** A study on customer satisfaction towards online banking of HDFC bank among 90 respondents. The aims of this study were to assess customer satisfaction with online banking services, banks often conduct surveys or use other feedback mechanisms to

gather information from customers about their experiences. The statistical tool used in this study was percentage analysis. The researcher concluded that banks must also prioritize addressing customer concerns and feedback to continuously improve the online banking experience and maintain customer satisfaction.

**Singh R K, Shivani Singh (2023)<sup>4</sup>** Analysis of E-Banking services on customer satisfaction in Public and Private Sectors Banks among 135 respondents and 50 employees of the sample bank. The study was conducted to investigate whether e banking is cost effective for both the bank and the customer or not. In this study, they used percentage analysis. The findings of this study revealed that there are more respondents holds a private banks account. Most of the problems faced by the respondents who holds an account in public sector. This study concluded that private sector banks represent more POS terminal market than compared to public sector. Now a days most of the people in India using e banking for their transactions which helps in digitalised nation.

**Venkatesan L (2023)<sup>5</sup>** analysed consumer perception towards e banking services of nationalised bank in Chennai among 100 respondents. The objective of study was to assess the difference in customer satisfaction factors related to e banking services provided by nationalised bank on the basis of income level. It was analysed using statistical tool like one way ANOVA and chi square. The study concluded that bank wanted to focus on customer needs, creating awareness can able to drive customer loyalty, foster trust and ensure seamless convenient banking experience for their customer.

## RESEARCH METHODOLOGY

The primary data was collected from 102 respondents through structured questionnaire. The secondary data was collected from information published from journals, books, research article, etc., The sample were distributed to the customer of the HDFC Bank. Based on the previous study and research the questionnaire has developed with 5-point Likert scale.

### Objective of the study

1. To identify the usage of e-banking in respect of age category.
2. To find out the difficulties faced by the customer while using e-banking services.
3. To determine the platform most frequently used by customers for accessing e-banking services.

## ANALYSIS AND INTERPRETATION

### PERCENTAGE ANALYSIS

When two or more data series are compared, a specific type of analysis known as percentage analysis is employed. The descriptive relationship serves as the basis for percentage. It contrasts the related objects. Because the percentage brings everything down to a single base, it makes meaning comparison possible. It is employed to ascertain the proportion of responders relative to the overall number of responders.

$$\text{PERCENTAGE} = \frac{\text{Number of respondents}}{\text{Total number of respondents}} \times 100$$

**GENDER OF THE RESPONDENTS**

| <b>PARTICULARS</b> | <b>NO. OF RESPONDENTS</b> | <b>PERCENTAGE</b> |
|--------------------|---------------------------|-------------------|
| MALE               | 50                        | 49                |
| FEMALE             | 52                        | 51                |
| TOTAL              | 102                       | 100               |

The above table shows that 49% of the respondents were male and 51% of the respondents were female.

**AGE OF THE RESPONDENTS**

| <b>PARTICULARS</b> | <b>NO. OF RESPONDENTS</b> | <b>PERCENTAGE</b> |
|--------------------|---------------------------|-------------------|
| Below 25 years     | 71                        | 69.6              |
| 26 - 35 years      | 27                        | 26.5              |
| 36 - 45 years      | 1                         | 1.0               |
| Above 45 years     | 3                         | 2.9               |
| Total              | 102                       | 100.0             |

From the above table, it shows that 69.6% of the respondents were belonging to the age group of below 25 years, 26.5% of them were belonging to the age group of 26 years – 35 years, 1% of them were belonging to the age group 36 years – 45 years and 2.9% of them were above 45 years.

**MODE OF USING E-BANKING SERVICES BY THE RESPONDENTS**

| <b>PARTICULARS</b> | <b>NO. OF RESPONDENTS</b> | <b>PERCENTAGE</b> |
|--------------------|---------------------------|-------------------|
| Mobile             | 89                        | 87.3              |
| Computer / Laptop  | 7                         | 6.9               |
| Card (ATM)         | 6                         | 5.9               |
| Total              | 102                       | 100               |

From the above table, it shows that 87.3% of the respondents were using e-banking services through mobile, 6.9% of the respondents were using e-banking services through computer or laptop and 5.9% of the respondents were using e-banking services through card (ATM).

**GARRRETT RANKING**

The research of preference, order changes of limitations, and advantages into numerical scores was done using Garrett's ranking technique. The main benefit of this method over a basic frequency distribution is that the limitations are organized according to respondent harshness. By evaluating the three identified features and assigning a rank, the Garrett technique analysis was designed to identify the areas that meet the criteria to be used as prioritized areas.

### MODE OF USAGE OF THE RESPONENTS

| Mode of usage     | Mean Score | Ranks |
|-------------------|------------|-------|
| Mobile            | 69         | I     |
| Computer / Laptop | 50         | II    |
| Card (ATM)        | 31         | III   |

### INTERPRETATION

Table shows that 1<sup>st</sup> rank was given to mobile for the mode of usage, 2<sup>nd</sup> rank was given to computer or laptop for the mode of usage by the respondents and the 3<sup>rd</sup> rank was given to card (ATM) for the mode of using e-banking services by the respondents.

### ONE SAMPLE T TEST

A statistical test called a one-sample t-test is used to assess if the mean of a single sample differs significantly from the known or estimated population mean. It is frequently employed when gathering data from a sample and attempting to determine whether the sample mean deviates noticeably from a given number.

**NULL HYPOTHESIS ( $H_0$ ):** The population mean of problems faced by the customer is not equal to specified mean value.

**ALTERNATE HYPOTHESIS ( $H_1$ ):** The population mean of problems faced by the customer is equal to specified mean value.

### PROBLEMS FACED WHILE USING E-BANKING SERVICES

| One-Sample Statistics |     |        |                |                 |
|-----------------------|-----|--------|----------------|-----------------|
| Problems Faced        | N   | Mean   | Std. Deviation | Std. Error Mean |
|                       | 102 | 2.2328 | .75186         | .07445          |

### ONE SAMPLE T TEST

|                | t      | Df  | Sig. (2-tailed) | Mean Difference |
|----------------|--------|-----|-----------------|-----------------|
| Problems Faced | 29.993 | 101 | .000            | 2.23284         |

### INTERPRETATION

Table shows that the significant (2-tailed) value is 0.000. The calculated value is lesser than 0.01.  $H_0$  is rejected.  $H_1$  is accepted that is, the population mean of problems faced by the customer is equal to specified mean value.

## FINDINGS

By applying percentage analysis following inferences was made:

- 51% of the respondents were female.
- 69.6% of the respondents were belonged to the age group below 25 years.
- 72.5% of the respondents were unmarried.
- 49% of the respondents were completed under graduate.
- 42.2% of the respondents were private employees.
- 57.8% of the respondents were earning below ₹20,000.
- 67.6% of the respondents were residing in urban area.
- 85.3% of the respondents were holding a savings account.
- 38.2% of the respondents were duration of holding an account was more than 3 years.
- 32.4% of the respondents were got awareness about e-banking facility by the bank.
- 32.4% of the respondents were using e-banking services for less than a year.
- 63.7% of the respondents were using mobile banking platform.
- 51% of the respondents were using e-banking services frequently.
- 44.1% of the respondents were suggesting for transaction without internet.

## SPECIFIC FINDINGS

### GARRETT RANKING

Garrett ranking was used to find out the mode of usage by the respondents. Rank 1 was given to mobile followed by computer or laptop and the least rank given to card (ATM).

### ONE SAMPLE T TEST

One sample t test was used to find the population mean of problems faced by the customer is equal or not equal to specified mean value. The calculated value is less than 0.01.  $H_0$  is rejected.  $H_1$  is accepted that is, the population mean of problems faced by the customer is equal to specified mean value.

## SUGGESTIONS

- E-banking services of HDFC bank are used by the respondents in the age group above 35 years are limited because lack of awareness, so need awareness to this age group.
- Bank has to developed the application of mobile banking which is causing app freezing frequently.
- E-banking services can be improved and encourage to the people who resides in the rural area.
- The respondents gave a suggestion to the HDFC bank to implement the emergency transaction done without the internet.
- To improve the customer support which is suggested by the respondents of this study.



## CONCLUSION

Customers can benefit from electronic banking technologies, just like banks and other businesses do. Integrity, safety, and efficiency can all be employed in the proper way to improve the quality of banking services. The study's findings indicate that just a small number of the many e-banking services are being used by clients.

