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CUSTOMERS' SATISFACTION TOWARDS E- BANKING SERVICES IN PUBLIC SECTOR BANK (WITH SPECIAL REFERENCES TO SBI IN COIMBATORE CITY)

¹I.A. Ahamed Wasim Musthaq and ²Dr.M. Jegadeeshwaran

¹Research Scholar and ²Assistant Professor

^{1&2}Department of Commerce, Bharathiar University
Coimbatore, Tamil Nadu, India

ABSTRACT

In Today's scenario E - Banking service plays a vital role in attracting new customers and retaining old customers. Without e-banking service no banks can survive in this competitive banking business. E - Banking means the provision of information about a bank and its services through a home page on the World Wide Web (WWW). E - Banking services provide customer access to accounts, the ability to transfer their money between different accounts, and making payments or applying for loans through E - Channels. Electronic Banking is otherwise called as Internet Banking or Virtual Banking or Online Banking or Web Banking. E – Banking is the medium and latest delivery channel to be offered by the retail banks. It provided number of benefits to customer in term of easy to use and at least cost of transactions; it may be either through internet, telephone or other electronic delivery channels. Nationalization was a structural change in the performance of commercial banks which resulted in to the emergence of public sector banks. This study helps to know the satisfaction level of customers towards E – banking services provided by SBI in Coimbatore City. Here E – Banking services includes ATM service, POS using debit card and credit services, mobile banking, EFT etc.

Keywords: E-banking, Customer Satisfaction, Commercial Banks.

INTRODUCTION

State Bank of India is an Indian multinational, public sector banking and financial services statutory body headquartered in Mumbai. SBI is the 43rd largest bank in the world. It is a public sector bank and the largest bank in India with a 23% market share by assets and a 25% share of the total loan and deposits market. The bank descends from the Bank of Calcutta, founded in 1806 via the Imperial Bank of India, making it the oldest commercial bank in the Indian Subcontinent. The Bank of Madras merged into the other two presidency banks in British India, the Bank of Calcutta and the Bank of Bombay, to form the Imperial Bank of India, which in turn became the State Bank of India in 1955.

The rich heritage and legacy of over 200 years, accredits SBI as the most trusted Bank by Indians through generations. SBI, the largest Indian Bank with 1/4th market share, serves over 44 crore customers through its vast network of over 22,000 branches, 58,500 ATMs, 66,000 BC outlets, with an undeterred focus on innovation, and customer centricity, which stems from the core values of the Bank - Service, Transparency, Ethics, Politeness and Sustainability. The Bank has successfully diversified businesses through its 11 subsidiaries i.e., SBI General Insurance, SBI Life Insurance, SBI Mutual Fund, SBI Card, etc. It has spread its presence globally and operates across time zones through 233 offices in 32 foreign countries. The SBI's popular services covered under E-banking include: Automated Teller Machines (ATM) Credit Cards, Debit Cards, Smart Cards, Electronic Funds Transfer System, Mobile Banking, Internet Banking, Telephone Banking, E-Lobby etc.

STATEMENT OF THE PROBLEM

Now- a -days banks are not following the traditional or conventional banking with manual operations. Banks have moved from disbursed to a centralized environment, which shows the impact of technology on banks. Banks are using new tools and techniques to find out their customer's needs and satisfaction and offer them tailor made products and services to make it convenient. The customer is king and the service providers are rushing to pay observance to the king, the financial service providers are trying to provide their services to the Customers in the comfort of their homes. The E-banking has emerged as a convenient channel for these service providers.

E-banking refers to electronic banking is a service that allows Customers to access their bank information, conduct financial transactions, make deposits, withdrawals and pay bills through the internet without having to physically visit their bank. E-banking is one of the most recent technological innovations, which is becoming a need for every common man so it is becoming "Need to Have" service. It makes the regular transactions for a customer speedy and time efficient with little or no paper work involved.

SBI is a well-known commercial bank which provides many of E-banking services to its customers. Therefore, the present study is being carried out on how this bank provides E-banking services to its customers in Coimbatore City. For this purpose, present study is



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being carried out on only selected 50 customers who have an account with SBI Bank in Coimbatore City.

Objectives of the study

The following objectives are formulated for the present study:

- 1. To analyse the awareness among Customers about E-banking Services of SBI in Coimbatore City
2. To identify with the problems faced by the customers while using E-Banking services rendered by SBI.
3. To measure the customers satisfaction level towards online banking services.
4. To suggest the remedial measure to improve the quality of services of E- Banking

Review of Literature

Lakshmi Narayana et.al (2013) in their study entitle "A Study on Customer Satisfaction towards Online Banking services with reference to Bangalore city" focuses on investigating the major factors that influence online customers' satisfaction with the overall service quality of their banks.

Pareek, V. (2014) opined with a comment that out of some factors few causal fundamental factors like product attributes, employee characteristics, customer convenience, bank tangibles, cost of transactions and customer communication contributes in customer satisfaction in Indian banks.

Kaur, N., & Kiran, R. (2015) founded in their research that customers of foreign banks got more satisfaction with the quality services provided to them.

Kundu, S., & Datta, S. K. (2015) founded that there is a significant relationship among e-service quality, trust and customer satisfaction. Internet banking service quality has vast impact on trust.

Research Methodology

The present study has the following research methodology:

- (a) Sources of Data: The present research study is based on both secondary and primary data. Primary data has been collected by preparing structured questionnaire interview method has been followed to ascertain the information from the customers who are availing of the E- Banking Facilities.
(b) Sample Design: For the present study purpose, simple convenient random sampling has been selected. This particular survey was directed at only in Coimbatore City and customers using E-banking service in State Bank of India (SBI).
(c) Tools and Techniques: Percentage and Garrett ranking is used for analysis of data.

Data Analysis and Interpretation

Table 1: Demographic Variables

Table with 3 columns: Demographic Variables, Categories, No. of Respondents (In %). Rows include Gender (Male/Female), Age (Below 30, 30-40, 40-50, above 50 years), and Qualification (HSLC, Degree, PG, Diploma).



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Occupation	Employee	22 (37%)
	Business	28 (47%)
	Profession	5 (8%)
	Agriculture	3 (5%)
	House hold	2 (3%)
Annual Income	Up to Rs .1,00,000	8 (13%)
	Rs .1,00,000 -12 (20%)	
	2,00,000	
	Rs .2,00,000 -25 (42%)	
	3,00,000	
	Above Rs .3,00,000	15 (25%)

Source: Primary Data

The above Table I consists of demographic profile of sample respondents. It can be inferred that 70% of the respondents are male and 30% of the respondents are female. It also shows that 53% of the respondents are comes under 30 – 40 years group, followed by 20% of them under 40 – 50 years group, followed by 17% of them under below 30 years and 10% of them are above 60 group. The above table depicts that 67% of the respondents who are UG degree holders, followed by 17% of them are PG degree holders, followed by 10% of them are completed HSC and 6% of them are diploma holders. It is found that 47% of them are business man, 37% of them are salaried people, 8% of them are professionals, 5% of them are agriculturists and 3% of them are home maker.

Table – II: Awareness level of Customers towards E – Banking Services

E – Banking services	Yes	No
ATM Services	50 (83%)	10 (17%)
EFT	32 (53%)	28 (47%)
POS	48 (80%)	12 (20%)
Mobile Banking	44 (73%)	16 (27%)
Internet Banking	35 (58%)	25 (42%)

Source: Primary Data

The above table II shows that the awareness level of Customers towards various E – Banking services. It shows that 83% of them aware about the ATM services, 53% of them aware about EFT, 80% of them aware about POS, 73% of them aware about Mobile Banking, 58% of them aware about Internet Banking.

Table – III: Frequently using E – Banking Services (Garrett Ranking)

E Banking Services	Response	Rank
ATM	59.25	1
EFT	47.96	4
POS	55.03	2
Mobile Banking	54.51	3
Internet Banking	36.03	5

Source: Primary Data

The above Table III shows that the frequently using E – Banking services by customers. It is found that ATM is the foremost E – Banking services used by the customers. It is followed by POS, Mobile Banking, EFT and lastly Internet Banking. This is done by using Garrett Ranking method.

Table – IV: Problems faced on E – Banking services

Problems faced	No. of Respondents	Percentage
Yes	29	48%
No	31	52%
Total	60	100

Source: Primary Data



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The above Table IV shows that the whether the customers faced any problems while using E – Banking services. It is found that 52% of the respondents do not face any problem in using E – Banking services. 48% of them faced problems while using e – banking services.

Table – V: Types of Problems faced on E – Banking services

Problems	No. of Respondents	Percentage
ATM		
Cash locked in ATM	1	3%
ATM without sufficient cash	3	10%
Password theft	4	14%
Debit Card Locked in ATM	2	7%
INTERNET BANKING		
Web authentication	2	7%
Website Management	4	14%
Less Security	3	10%
MOBILE BANKING		
Forget Password	2	7%
Slow Internet	8	28%
Total	29	100

Source: Primary Data

The above table V shows that types of problems faced by the customers while using e – banking services. It is found that 14% of them faced password theft, 10% of them faced ATM with insufficient cash, 7% of them faced that their Debit card locked in the ATM, 3% of them faced that their cash locked in the ATM.14% of them felt that Website Management is not good for them. It creates confusion in their mind. 10% of them felt that they are insecure for their deposits.7% of them felt that Web authentication is not sufficient for them. 28% of them felt that slow internet causes disruption in doing banking transaction in the mobile. 7% of them forget their password while doing banking transaction in the mobile.

Table – VI: Overall Satisfaction level of E – Banking services

Satisfaction Level	No. of Respondents	Percentage
Highly Satisfied	8	13
Satisfied	28	47
Neutral	6	10
Dissatisfied	14	23
Highly Dissatisfied	4	7
Total	60	100

Source: Primary Data

The above table VI shows that the overall satisfaction level of customers towards E – Banking services rendered by SBI in Coimbatore City. It is found that 47% of the sample respondents are satisfied with e – banking services given by SBI, 23% of them are dissatisfied, 13% of them are highly satisfied, 10% of them are neutral, and 7% of them are highly dissatisfied.

SUGGESTIONS

1. Banks should hold demonstration and provide training to customers to explain about its usage, effectiveness etc., for the usage of all types of E-banking services.
2. Security measure should be strengthened. So that the customers do not fear about hackers.



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CONCLUSION

At present banking sectors provide different services through E-banking systems. The customer is looking for quality services which can provides satisfaction. The suitable services available may be improved to give better customer satisfaction leading to retention of existing customers and attracting new customers. In recent years many changes have been taken place in the banking sectors. These changes do not reduce the errors and mistakes in terms of operational activities. The advent of Internet banking is restructuring business relationship with the customers. The reach of Internet banking has swiftly increased due to the Telecommunication Infrastructure development in India. Overall, E-banking is at one roof under which numerous customers may perform various transactions electronically in the same time even without visiting branch. This study can help the SBI to know its customers opinion and find the solution through customers' perspective. It can help them easily to achieve customer satisfaction.

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