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RESEARCH ARTICLE

CUSTOMER SATISFACTION TOWARDS DIGITAL BANKING SERVICES OF INDIAN BANKS

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ABSTRACT

In the present scenario, the Digital banking is one of the most important developments for the banking industry in its long history. The demand of banking is anytime, anywhere banking, this requires innovative robust secure optimized and ready to meet the expectations of empowered and tech savvy customers. However, despite the many benefits that online banking provides to customers, there are also a number of major concerns and challenges for marketers in the online banking sector. Traditional banking habits, security, technical issues, transaction difficulties, and small marketing budgets are all major challenges that online banking marketers will have to reconcile if they are to succeed in this field. The present study is based on secondary data. The data has been extracted from the various sources like research articles, publications from government of India, various bulletins of RBI and authenticated websites. The study found that, digital banking has drastically reduced the operating costs of banks. This has made it possible for banks to charge lower fees for services and also offer higher interest rates for deposits. Lower operating costs have meant more profits for the banks. The study also found that, digital banking is having enormous potential to change the landscape of financial inclusion. Easy use of digital banking can accelerate the integration of unbanked economy to the mainstream.

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 of these instruments the consumer doing bill payments, with draws, transfer of payments etc. we also know about our account details at any time without going to 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 are websites, Google forms, immediate transaction services etc. Banks in India are moving from conventional banking to digital 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 that is going to take place in the Indian banking sector is based on digitalized banking. Though it was felt that 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.

Objective of the study

To understand the level of satisfaction of customer by using digital banking.

- To understand the level of satisfaction of customer by using digital banking.
- To know 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.

RESEARCH METHODOLOGY

In this research, the methodology section indicates that how to conduct the research. This includes data collected from people, sample of study and methods covered 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 200 people. Sampling method: The method is simple random sampling by considering the responses from Raichur city only. Statistical tools used for analysis: Graphical method and percentage method have been used for analysis data.

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

SUMMARY OF DATA COLLECTION

Variable	Constructs	Frequency of respondents
Gender	Male	140
	Female	60

Interpretation: The above chart classified that Out of total 200 responses 30% are Female that is equal to 60 and 70% are Male that is equal to 140.

Variable	Constructs	Frequency of respondents
Ages	10-20	40
	20-30	100
	30-40	40
	40-50	16
	50 & above	4

Interpretation: The above Chart classified the large number of respondent come from the age group of between 20-30 with 50%.We observe that there is very less number of users is come from the age group above 50with only 2%.

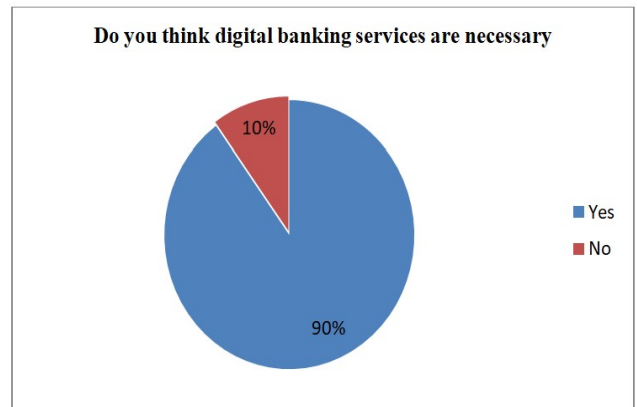
Variable	Constructs	Frequency of respondents
Occupation	Student	90
	Employee	40
	Business	50
	Household	20

Interpretation: From the above chart we find that majority of customer use digital banking services are students and business with 45%and 25% respectively.

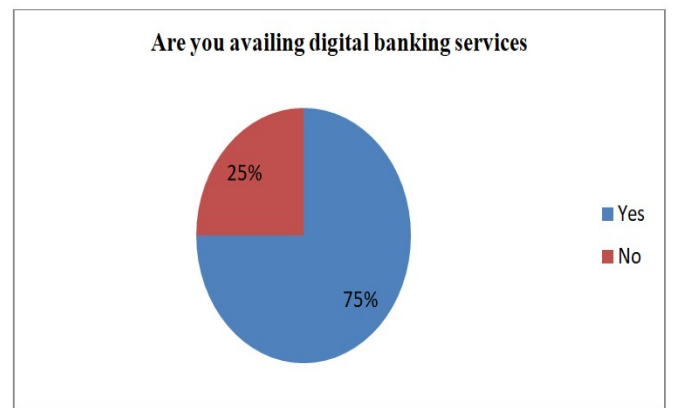
ANALYSIS OF DATA

Following are the response of respondent on important quotation related to digital banking services.

Particulars	Do you think digital banking services are necessary	Are you availing digital banking services
Yes	180	150
No	20	50

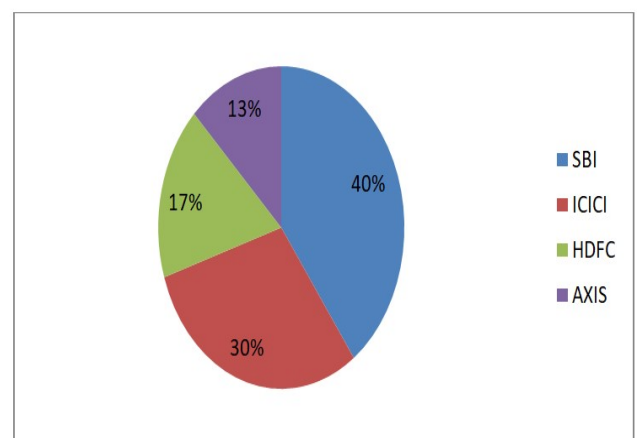


Interpretation: The analysis shows that majority people with 90% are says digital banking services are necessary in present scenario.



Particulars	1.Which banks digital banking services do you use? / 2.How frequently do you use digital banking services?	
	1	2
SBI/ DAILY	80	70
ICICI / WEEKLY	60	60
HDFC / MONTHLY	35	40
AXIS / NEVER	25	30

Interpretation: The analysis shows that the majority people with 75% are availing digital banking services.

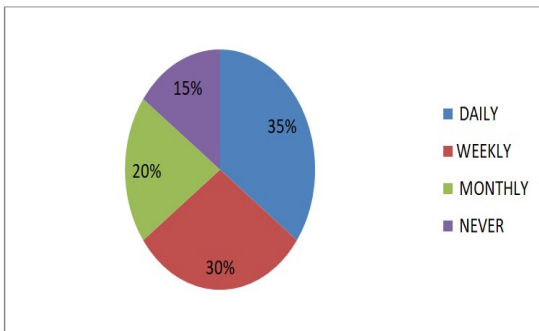


Interpretation: The above chart shows that the majority people are use state bank of India 40% and rest of users use ICICI bank, HDFC bank and axis bank with 30%, 17% and 13% respectively.

Particulars	Aware of Banking services	Particulars	Preference of digital banking services	Particulars	Type of digital banking services use
Online banking	20	Good services	50	Online Fund transfer	40
Mobile banking	30	Easy transfer	70	Online purchase & payment	60
Debit cards	60	People References	20	Request any card or cheque book	30
Digital wallet	20	Good security	40	Facility of paying bills online	40
UPI	50	Reward/Bonus	20	Online booking services	30
ATM	20				

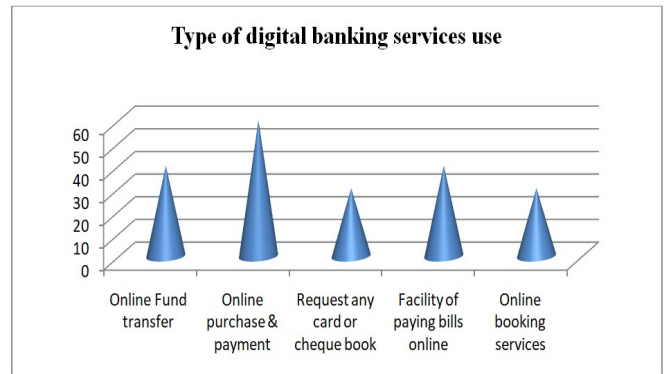
**UPI: Unified Payment System, ATM: Automated Teller Machine

Particulars	Benefits while using digital banking services	Particulars	Problems facing while using digital banking services
Easy fund transfer	60	More time taking in fund transfer	30
Time saving	40	Slow speed of working	50
Inexpensive	50	Critical process / difficult interface	50
Easy processing	20	Not easy for uneducated person	40
Security level	20	Banking server problem	20
Get cash back	10	One time password verification	10

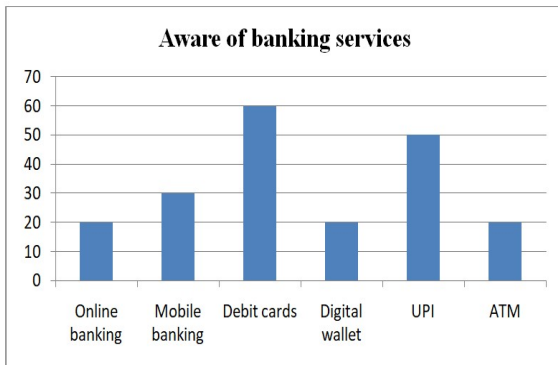


Interpretation: The above chart shows that the majority people are daily and weekly with 35% and 30% respectively use frequently digital banking services and follow by 20% user are use monthly and rest of 15% never use digital banking services.

Interpretation: Above graph shows that majority people prefer Easy transfer and Good services with 35% and 25% respectively while choosing digital banking services.



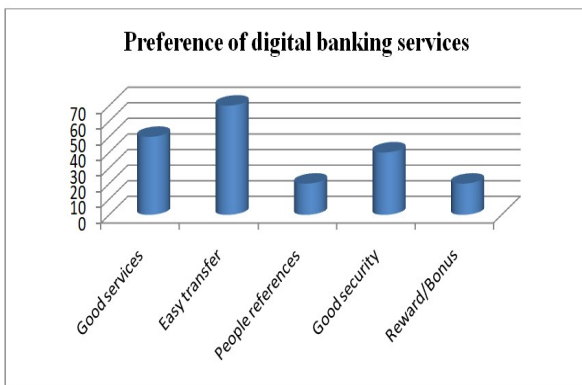
Interpretation: Above graph shows those majorities people are want online purchase and payments 30% and online fund transfer with facility of paying bills online 20% each respectively.



Interpretation: Above graph shows that majority people are benefits accrue Easy fund transfer, Inexpensive, and Time saving with 30%, 25%, and 20% respectively while using digital banking services.

Interpretation: Above graph shows that majority people are aware of Debit cards and UPI with 30% and 25% respectively.

Interpretation: Above graph shows that majority people are facing problem in slow speed of working 25%, critical process / difficult interface 25% , and not easy for uneducated person 20%, respectively.



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

RESULTS

- Out of 200 people 140 are male and 60 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 200 respondents 140 people are both students & business man. Because the services are more benefited towards this people.

- It is very interesting to see that 140 people have accounts in SBI and ICICI banks. 60 people have accounts in HDFC and AXIS banks.
- Among 200 respondents 130 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

- This study has been conducted purely to understand customer satisfaction of digital banking services.
- This study is only limited to Indian banks.
- Some of the respondents of the survey were unwilling to share information.
- 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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