

# AN ANALYSIS SATISFACTION LEVEL OF CONSUMER THROUGH E-BANKING AND M-BANKING

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## Abstract

Electronic banking is the latest delivery channel for banking services. Among the various channels of e-banking, Internet banking and Mobile banking are fastest developing areas. The analysis indicates that the service like e-shopping, electronic fund transfer, utility of bill payment, tax payments, and balance inquiry, e-banking is more suitable as a channel of delivery. Technology is a driving force in the global age and is taking over in every way; mobile and internet banking is just a few examples of the ever developing technology advancement. Mobile banking is a new way of banking, as it makes it easier for customer to access their finance, even from the remote areas. At present in India internet banking and mobile banking growing faster because of demonetization of economy, the customer are opted for online banking and mobile banking facilities provided by bank and the world's second largest subscriber base in this sector therefore this leads to increase the E-banking users in India. Both the channels have been found suitable to offer the various banking service that customer expect to receive from these service through these two channels because of the respective advantages of the channels. The purpose of study was to identify the impact of E-banking and M-banking on level customer satisfaction in banks.

## Introduction

The introduction of e-banking and M-banking within the banking sector has diversified. Consumers can operate their account from computer or laptop and mobile. E-banking is also known as internet banking. It is an electronic payment system that enables customer of bank or other financial institute to conduct a range of financial transaction through financial institute's websites. M-banking is a service provided by bank or other financial institution that allows customer to conduct financial transaction remotely through mobile device such as Smart phone or Tablet. It uses software usually called an app. M-banking is usually available for 24 hours. E-banking and M-banking system opens lots of routes to the customer service like ATM machines, telephones, internet and mobile phones. Mobile banking is a system that allows customers of mobile financial institutes to offering banking services of make deposits, withdraw, and to send or receive fund from mobile application or any other personal digital assistant. E-banking and M-banking offers services of banking such as account information like payment, deposits, withdrawals and transfer, application for cheque book, blocking of debit and credit card, bill payment and recharge. All the banking activities of customer such as conducting financial transaction with their financial institution and allowing customer to transfer money and make payments anywhere, obtaining financial account information, providing customer related service etc. are possible only because of e-banking and m-banking. The customer in E-banking and m-banking service are increasing day by day due to the security measures taken by the bank. More numbers of customers are being drawn to this banking service as they have been satisfied due to measures taken by banks to secure the transactions. Due to both of this facilities provided by banks the amount of transaction gets high because everything in on fingertip of customer so it saves time and customer need not to go to the bank. They just need an internet connection and laptop or mobile or tablet to make transaction. In this era of digitalization and globalization e-banking and m-banking shows way to reach the top of the pyramid in banking business through its variety of service.

## Non transactional banking task can be performed by customer through E-banking & M-banking:

- Viewing account balance
- Viewing recent transactions
- Downloading bank statements in PDF format
- Viewing images of paid cheques
- Ordering cheque book
- Downloading monthly account statement
- Blocking ATM, Debit or Credit card
- Personal financial management support
- Checking of account history
- Alerts on accounts activity
- Monitoring on term deposits
- Access to loan statement
- Access to card statement
- Mutual fund and equity statement
- ATM location

**Transactional banking task can be performed by customer through E-banking & M-banking:**

- Fund transfer between customer's linked accounts
- Paying third parties, including bill payments and third party fund transfer
- Mobile recharge and DTH recharge
- Investment purchase or sale
- Loan repayment
- Credit card application and payment
- Insurance policy premium payment
- IMPS, NEFT & RTGS

To access a financial institution's E-banking and M-banking facility, a customer with internet access will need to register with the institution for the E-banking service and set up a password and other credential for customer verification. For M-banking a customer need to own a smart phone or tablet with an application of particular bank which service he want to obtain through M-banking and need to set up PIN and one time registration with bank to operate the app.

**Recent scenario in E-banking and M-banking**

Recent years back nobody knew about e-banking and m-banking in India. E-banking was introduced first and then after M-banking was introduced in India. At initial stage this banking facilities are not popular among all customer, but after the crunch of Demonetization huge number of customer are uses this E-banking and M-banking facility because people are facing currency crunch in India and this is where the mobile banking are reducing the burden of people. Especially the M-banking wallets attracts the users by offering discount and cash back points at regular intervals. Government also attract the customer towards digital payment by launching BHIM UPI app. Before demonetization, digital banking was not yet a pervasive experience in India. Most of banking relationship still begin and continued at branch. Only 51 percentage of retail banking customer have a reliable online and mobile banking experience with their financial institutions. The security level of bank providing E-banking and M-banking service are also improved well and by this also customer are get in trust with online transaction so that customer are using more and more this service without any hesitation.

**Objective of the study:**

1. To Highpoint the background and current scenario of E-banking and M-banking in India.
2. To showcase the E-banking and M-banking facilities provide by Banks.
3. To show merits and obstacles in the way of E-banking and M-banking.

**Research methodology**

This research is based on secondary data collected from different sources.

**Merits of E-banking and M-banking:****a. Paperless transaction:**

Access of account through E-banking and M-banking by customer, helping the world to save environment by reducing the use of paper or we can say a paperless transaction. E-banking and M-banking reduces lots of need of paper like no need to feel physical form for any service like application form, no need to feel pay slip for transfer the money. At present time customer can open his account through filling of E-form of particular bank on their website.

**b. On the go accessibility:**

A major benefit of using E-banking and M-banking is that the customer can get on the go accessibility for their banking transaction. They don't need to visit their bank for making any transaction they can operate all this service through their Laptop, Computer, Tablet or Smart phone by entering their user name and password. Means a customer can access his account from any corner of the world through their finger tip.

**c. Efficient use of expert human capital:**

The financial institute can centralise their limited pool of banking and financial experts and use these experts to service customers no matter where customer are located. It is the maximum utilization of high cost of human capital.

**d. Reduces infrastructure development cost:**

If customers are habituate to using E-banking and M-banking service than bank don't need to maintain lots of physical branches of their bank. So by reduction in branches that ultimately reduce the cost of infrastructural development.

**e. Eliminates the role of middlemen between bank and customer:**

Use of E-banking and M-banking service are almost eliminate the role for middlemen or linking person between bank and customer for gathering service. Customer can make use of banking service through their virtual banking facility without taking help of any person.

**Obstacles in the way of E-banking and M-banking****a. No cash:**

There is lots of benefit of these virtual banking service but it can't give you a hard cash via your Smartphone, Laptop or Tablet. No customer can withdraw or deposit the cash through his Smartphone, Laptop or Tablet. But however

this limitation is eased by the fact that payment are shifting towards cashless, mobile based transaction. But still in country like India not all the people are believe in cashless transaction, they are still using cash for their daily routine.

**b. Loopholes in online security:**

Many cyber hacker are always stare their eyes on online transaction of many customer and whenever they got chance they hack the customer's account and theft the money from their account. So there is major problem of security in this virtual banking. In recent time hackers are hacked debit card and transfer the money from the account. Chances of online fraud are very high in this era of online banking.

**c. Need to investment in gadget:**

If any of the customer want to use this E-banking and M-banking service they have to invest their money in Smartphone, Laptop or Tablet. Not only this but also need and internet connection in their device. Also need to purchase an Antivirus for their gadget to provide security for the transaction. So a lower income person may be not able to grab the benefits of this E-banking and M-banking service.

**Effect of this E-banking and M-banking service on customer satisfaction**

Customer satisfaction is important because it provides business owners with metric that they can use to manage and improve their business and service. This E-banking and M-banking is very easy to use. It provides fasters services to their customer. Consumer satisfaction is influenced by usefulness, ease of use, security, consistency etc. these are the factor on which financial institution should improve on, but still it also lacked in finding out the expectation and what the customer really wanted from the service. Not all the customers are happy with the service provided by the banks. But still it shows positive relationship and shows the factors which any bank or financial institution should focusing on to improve their facilities and service. By this we can say the present need of customer influenced customer satisfaction.

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