



# Customer Satisfaction Toward Online Banking In Au Bank

Pritam Kumar Shubham kanojiya

## ABSTRACT

All throughout the world, the banking industry has seen dramatic transformation in recent years. The expansion of information technology has allowed for better tracking and fulfillment of responsibilities, more delivery options for online customers, and faster problem resolution. The sustained success of banks depends on their ability to cater to the specific needs of their clients, which is why more and more of them are offering individualized online banking services in Au bank.

Customer satisfaction with online banking services provided by public sector banks in the Tiruchirappalli region was the focus of this study. This study makes it abundantly evident that banks' digital platforms should make available a wealth of informational resources on banking goods and services. To gauge the level of satisfaction of their present customer, banks should conduct frequent satisfaction surveys. Response speed, security, and the quality of the website's style and navigation

were determined to have the greatest impact on consumer satisfaction.

## GENERAL INFORMATION

Worldwide, the banking industry has seen considerable transformation in recent years. The widespread availability of information technology has enabled better obligation tracking and fulfillment, more options for online customers to get their orders, and speedier problem solving. More and more, banks are tailoring their online banking services at Au bank to each customer's specific needs and wants to assure their continuous success.

This study analyzed consumer satisfaction with the online banking services offered by public sector banks in the Tiruchirappalli region. The results of this study make it abundantly evident that banks' digital platforms should make available a variety of instructional resources on financial products and services. Frequently conducting customer satisfaction surveys is essential for banks in order to gauge the level of contentment of their present Au bank clients.

The poll concluded that response speed, security, and the quality of the website's structure and navigation were the top three factors impacting consumers' contentment.

India has more people online than any nation except. When compared to other economic sectors, the banking and finance business has the greatest proportion of IT workers (21%). Thus, there is a great deal of potential for banks to expand their Au bank Internet banking services to attract rich customers.

E-banking, sometimes known as "online banking," is the process of delivering traditional and innovative monetary services to customers in an automated fashion over an interactive digital network. For its customers (whether people or businesses), banks are increasingly turning to online platforms like the Internet to facilitate financial transactions and account management; this practice has come to be known as "e-banking." Electronic banking, or E-Banking, goes by a few other names: online banking, PC banking, and Internet banking. An example of electronic banking is the use of a credit card, a mobile banking app, or an automated teller machine. These days, you may start an account, apply for a loan, move funds across accounts, and more all via an online banking site. With the advent of internet banking, a new banking sector has formed in Au, one that offers customers almost unlimited banking options. Customers are shifting their banking habits away from traditional bank branches and toward more convenient channels like ATMs, home banking terminals, and the internet. Rapid connectivity, high-powered, reasonably priced computers, and

secure encryption all provide a help. The new online fee has resulted in an increase in the number of banks operating in Australia. Automated teller machines (ATMs) and internet banking are only two examples of the new customer service channels that have opened up in the banking sector as a result of technology developments.

## INDUSTRY PROFILE

### Introduction

Online banking, also known as internet banking, web banking, and home banking, is an electronic payment system that enables customers of a bank or other financial organization to conduct a range of financial transactions through the bank's or institution's website. When a bank expands its offerings to include digital channels in addition to brick-and-mortar branches, the digital platform will connect to or become a part of the larger financial infrastructure. While internet banking may save banks a lot of money by doing away with the requirement for a physical network of branches, it is also popular with Au Bank and certain customers since it makes banking more convenient by removing the need to visit the bank during normal business hours. Checking balances, obtaining statements, monitoring recent activities, transferring funds between accounts, and making payments are just some of the many banking services offered to consumers and companies through the Internet banking platform provided by Au bank.

## COMPANY PROFILE

In the 1980s, banks began offering telephone banking services, a predecessor to the internet banking available today. Bank account access via terminal, keyboard, and TV or monitor became synonymous with the word "online" in the late 1980s. Using a numeric keypad to relay banking instructions to a financial institution via phone line is another use of the phrase "home banking," which is also used by Au bank.

To begin using a bank's online banking service, a customer must first register for the service by providing the bank with information that identifies them as an existing customer of the bank, such as their name, address, and date of birth. Client initiates online banking by visiting the bank's secure website, where they provide their customer number and other identifying information.

While most online banking platforms do enable clients to see their account balances, pay bills electronically, apply for loans, and transfer funds between accounts, the features provided by individual institutions might vary widely. Financial institutions in the Au currency zone often impose transaction limits and other restrictions. It is now common practice for banks to allow customers to see their statements online and download PDFs that they may print at their convenience (some banks charge a fee for mailing Au bank hard copies of bank statements). In certain establishments, financial transactions may be imported directly into the financial books through a download. In addition to the aforementioned, customers of Au Bank may

also be able to make purchases such as check books, statements, report the loss of credit cards, stop payment on a check, update their contact information, and more.

## HISTORY

Some banks provide additional services beyond the typical online banking capabilities, such guidance with budgeting and the option to import transactions straight into a personal accounting system. Account Some online banking platforms have a function called "Au bank aggregation," which allows users to see all of their accounts in one place regardless of whether they are with the user's main bank or another institution.

## OVERVIEW OF WORLD MARKET

According to this study, the global market for digital banking systems would be valued \$107.1 billion by 2030, expanding at a compound annual growth rate (CAGR) of 20.5%. The growing number of internet users and the fact that many shoppers prefer online banking are driving factors.

The greater scalability provided by cloud-based systems is expected to contribute to the expansion of the digital banking platform market. The expanding use of artificial intelligence (AI) and machine learning (ML) in digital banking platforms, as well as an increase in both new banking Au Bank services and corporate investors, are all projected to enhance the financial industry.

However, the potential of the business is being restrained by concerns about security and regulation in digital lending platforms. The COVID-19 pandemic, on the other hand, spurred interest in online shopping and led to a rise in digital banking.

According to Ecommerce Europe, the percentage of Europeans who have made purchases online is expected to rise to 71% in 2020 from 60% in 2017. On the other hand, by 2020, the share of Au Bank of Europe's GDP attributed to e-commerce will have increased from 3.11 percent in 2017 to 4.29 percent. Therefore, there will be a higher need for digital banking services as the number of individuals making purchases and transfers over the internet continues to rise.

In 2021, the Asia-Pacific region was the largest market, and it is anticipated to continue growing at the fastest pace (CAGR) during the forecast period. Increased population and the prevalence of digital technologies are two contributing factors.

Some of the newer startups that are changing the way consumers and businesses interact with banks are Tunic Digital Bank, Inc., Anywhere 2 go Co., Ltd., and Cash free Payments India Private Au Bank Limited. As an example, in June of 2022, Cash free Payments India Private Limited introduced their tokenization system called Token Vault. One may utilize Token Vault for things like card tokenization and data interchange.

The North American market is expected to increase at a CAGR (compound annual growth

rate) of 19.9% from 2022 to 2030, making it the world's second-largest market in terms of revenue. Banks and other financial organizations in North America are among of the most enthusiastic users of cloud computing. Banks are now adopting cloud-based digital banking platform solutions due to their inexpensive initial investment and regular updates. This trend is projected to continue during the forecast period.

## OVERVIEW OF INDIAN MARKET

India's rapidly expanding digital banking platform industry is being fueled by Au Bank's rapid expansion. Market growth is being fueled in large part by the increasing use of such platforms among MNEs.

Au Bank, a strategic consulting and market research firm, has reported that the digital banking platform business in India would be worth \$776.7 million by 2021. By 2028's end, analysts predict that this industry will have generated about \$1,485.5 million in revenue, expanding at a CAGR of 9.8 percent. The growth of India's digital banking platform sector can be traced back to the country's rapid digitization and the increasing popularity of cutting-edge technologies like cloud computing, the Internet of Things (IoT), artificial intelligence, and others.

More people will be able to use online banking services thanks to government initiatives like "Digital India," which will in turn increase the number of people who use these services. The existence of online dangers like hacking and



fraud may slow the growth of the digital banking platform market for Au Bank in India.

The industry is growing as SMBs increasingly use digital banking solutions. Key factors driving this sector's growth include the rising number of small and medium-sized firms in India and the use of advanced technology such as cloud computing and business efficiency tools like digital banking platforms. In addition to facilitating easier access, more adaptability, and greater security in transaction management, these systems also provide the automatic payment of reoccurring utility bills, saving companies a substantial amount of time each month. Thus, SMEs throughout India are increasingly embracing digital banking platforms, which is helping to fuel the growth of the India digital banking platform market.

During the projected period, the increasing number of Au bank in India is expected to boost the growth of the country's digital banking platform market. Because of its potential to disrupt the banking system, online-only financial institutions (also known as Au bank) have been dubbed "bank of the future." It is becoming more obvious that Au bank, sometimes known as "digital banks," are a competitive and perhaps superior option to conventional banks. Until the Reserve Bank of India (RBI) allows for entirely digital banks, Au bank in India must rely on Au Bank as a partner bank to supply their services. Additionally, Au bank customers are offered enticing bargains, such as increased interest rates from the Au Bank and other bonuses not seen at conventional banks.

## GROWTH OF THE COMPANY / INDUSTRY / SECTOR

India's fast digitalization and increasing usage of cutting-edge technology have likely contributed to the country's exploding digital banking platform industry. The proliferation of such systems among MSMEs is driving the expansion of this market.

According to research by Bluewave Consulting, a strategic consulting and market research organization, the value of India's digital banking platform business is expected to reach \$776.7 million by 2021. With a compound annual growth rate (CAGR) of 9.8 percent, the market is expected to generate around \$1,485.5 million by the end of 2028. As a result of rapid digitisation and rising popularity of cutting-edge technologies such as cloud computing, IoT, AI and others, the digital banking platform industry in India has expanded in recent years.

Government programs like "Digital India" will boost internet access, allowing more individuals to utilize online banking services. There is a chance that the development of digital banking systems in India will be slowed by concerns about the safety of their customers' money due to the existence of Au Bank online risks like hacking and fraud.

Business is booming as more and more small and medium-sized enterprises use digital banking services. The expansion of this industry may largely be attributed to the increasing number of micros, small, and medium-sized businesses (SMEs) in India and their use of cutting-edge technology like cloud

computing and business efficiency tools like Au Bank digital banking systems. By streamlining and improving access, flexibility, and security in transaction management and enabling the automated payment of recurring bills, these solutions save businesses like Au Bank a tremendous deal of time and money. Thus, small and medium-sized enterprises (SMEs) throughout India are increasingly adopting digital banking solutions, contributing to the development of the India digital banking platform market.

The rising number of Au bank in India is likely to drive the expansion of the digital banking platform market in the nation during the forecasted time period, which is represented by Au Bank. Because of its potential to revolutionize the banking industry, Au bank (banks that exist only online) has been dubbed "bank of the future." Au bank, sometimes known as "digital banks," are increasingly being seen as a viable alternative to traditional banks. Au bank in India must depend on partner banks to supply client demand until the Reserve Bank of India (RBI) permits banks to be Au Bank completely digital. In addition, Au bank members may take advantage of superior deals, including higher interest rates and other perks, in comparison to those offered by traditional banks.

## ABOUT MAJOR COMPANIES IN THE INDUSTRY

Based in Jaipur, AU Small Finance Bank Limited operates as a small finance bank in India. In 1996, AU Financiers (India) Ltd. was established as a car financing business; on

April 19, 2017, it was reorganized as a microfinance bank. Those with low to moderate incomes, as well as micro and small enterprises, may not have access to conventional banking services, but AU Small Finance Bank is here to help. The Bank provides bank accounts, lending services, and other payment options.

With an annual revenue of 3,410.87 crore (US\$427 million) and Total B/S Assets of 31,198.68 crore (US\$3.9 billion), AU Small Finance Bank rated 355 on the list of Fortune India 500 (2019) firms.

CRISIL Ratings has given AU Bank a "AA-/Stable" long-term credit grade.

According to ICRA Ratings, India Ratings, and CARE Ratings.

Sanjay Agarwal (current managing director and chief executive officer of AU Small Finance Bank) started the firm as a private limited company, then on June 29, 2017, the company became public via an initial public offering.

He is the first in his family to become an entrepreneur and a Chartered Accountant, and he owns 28.5% of the Bank. There are 23,486 workers backing him up.

The market cap of AU Small Finance Bank, which is Rs 37,942 crore, can be found on the NSE and the BSE.

The stock jumped 51% on its first day of trade, making it the priciest bank in India when measured against its book value.

The Reserve Bank of India added the bank to its schedule of commercial banks in November 2017, boosting the bank's development

potential by lowering the cost of short-term financing and increasing the bank's capacity to deliver services.

### Services

Unlike other small finance banks, whose roots are in microfinance, AU Small Financing Bank's loans are entirely secured as of March 2018. The firm's origins as a car finance company makes this possible. Since bank deposits are cheaper than other sources of capital, the bank has been actively working to increase its deposit base, even if the yields (interest rates) are lower than those offered by unsecured loans. By expanding into deposit accounts, payment and transaction banking, the sale of third-party goods, and new types of loans, the company is trying to position itself as a one-stop shop for all things financial.

### Footprint

AU Small Finance Bank serves approximately 2 million clients throughout 15 states and 2 Union Territories with the help of 23,486 staff and 758 Banking Touchpoints as of the 30th of June, 2021.

Rajasthan, Gujarat, Maharashtra, and Madhya Pradesh are among the most important of the 15 states and 2 union territories where the bank operates.

When considering the size of its native state of Rajasthan, it is one of the biggest banks.

## INTRODUCTION OF THE STUDY

The function of banks and other financial organizations in the Indian economy is crucial. The customer may take use of the bank's various banking facilities.

Since being elevated to the status of national treasures in 1969, when the government nationalized the banking industry, public sector banks have grown. India's rise to economic prominence is being catalysed by advances in information technology. Banking in India has a long and storied history. Multiple changes have occurred as a result of the introduction of new concepts and technologies in this field. The banking industry in India has seen a dramatic transformation as a result of globalization during the last several years.

The banking sector has always been ahead of the curve when it comes to adopting new technology to better serve customers and streamline internal processes. Banks have long depended on electronic and telecommunication means to spread a variety of value-integrated product/services. The banking industry has seen a number of changes in recent decades, including the introduction of credit and debit cards, clearing systems like ECS, and the rise of electronic banking and mobile banking. Multi-channel banking at Au bank includes a wide variety of payment and transfer alternatives, such as debit cards, credit cards, smart cards, ATMs, internet banking, mobile banking, telephone banking, electronic cash transfer, and many more. The role of banks has evolved from that of financial intermediaries to that of a one-stop shop for all things financial.

Modern financial institutions are always on the lookout for novel methods to attract new customers, retain current ones, and outperform the competition.

## LITERATURE REVIEW

Sunitha, C. K. (2019)

The purpose of C K Sunitha's study, entitled "Customers Satisfaction in E- Banking Service," is to learn how consumers feel about doing their financial transactions online. The findings were determined by using a hypothesis test and convenience sampling on primary data collected from 172 respondents who filled out a questionnaire. Secondary data came from research publications, journals, etc. With the use of a core banking system, banks may offer their customers with automated teller machine (ATM) service, mobile banking, and Internet banking. Customer needs and expectations are ever-evolving, yet we're not meeting them by responding quickly enough or solving their issues in real time.

By Dr. Pratima Erugu and Krishna Mohan Haddadi (2018)

Dr. Pratima Erugu and Krishna Mohan Haddadi conducted a study titled "Customer's satisfaction towards online banking with reference to Greater Visakhapatnam city" to investigate the challenges that customers face when using online banking and the factors that contribute to their level of satisfaction. A survey with 24 questions was given to 200 people who use internet banking in the Indian city of Visakhapatnam. Chi-square testing, crosstabulation, and a frequency table were used to examine the data. The success of

online banking depends on the attitude, commitment, and involvement of employees at all levels in protecting their customers' personal information and the integrity of their financial transactions.

Dr. T. Sandhya Ran, Mr. A. Saravanan (2018)

Their study, titled "A study on customer satisfaction towards net banking with special reference to general banking customer in Coimbatore city," was conducted by Dr. T. Sandhya Ran and A. Saravanan to better understand the factors that contribute to customers' level of satisfaction with net banking and general banking services.

Seventy people who routinely use an online banking service answered the survey. The data, which included both client feedback and information gleaned through references, was analyzed using the percentage method. At the outset, we focus on customers who are computer literate enough to use our online banking service effectively.

## BACKGROUND OF THE STUDY

This study provides a theoretical framework for understanding the relationship between customer satisfaction and Internet banking by identifying a set of independent factors and variables (Rete, 2019). This study's variables were adjusted to better fit the needs of the financial sector. Items in question are:



**Expense:**

The perceived monetary cost of using mobile banking is the amount by which a customer believes their outgoing cash flows will rise as a result of using the service. The hefty price tag has been seen as a deterrent to widespread adoption. Initial investment, capital expenses, operational expenditures, and transaction costs all figure in.

**Security and privacy:**

Names, addresses, and financial information are all examples of personally identifiable data that must be protected.

According to reviews, it's quite easy to use.

That person's certainty that they won't have to exert any effort to make advantage of the system in question.

**Independence in computing:**

Self-assurance in one's own computer abilities. When customers are assured of their competence with mobile banking, they are more likely to give it a try.

**Responsiveness:**

It's a reference to how quickly and easily the website resolves problems and gives reimbursements. It's a way to get in touch with actual people who can assist you out over the phone or through live chat.

**PROBLEM STATEMENT**

There are critical vulnerabilities in the online banking software. Furthermore, the transaction expenses are rather high. In order to get access to users' accounts and steal money, hackers will resort to immoral measures to uncover users' passwords and other critical information. When an individual invests in a security, the security assumes the bulk of the buyer's risk. being competent at the level required for internet banking.

**OBJECTIVES OF THE STUDY**

- Discover the level of contentment experienced by customers of online banks.
- Customer satisfaction with the bank's internet banking services is being investigated.
- Discover what factors influence the success of an electronic money transfer.
- Review the possibilities of online banking in India.

**RESEARCH METHODOLOGY****METHODS FOR DATA COLLECTION & VARIABLES OF THE STUDY****Methods for data collection**

Primary Data

Secondary Data

### Primary Data

Primary source of data was collected by questionnaire.

### Secondary Data

Secondary source of data was collected from

Books

Journals

Magazines

Web's logistics es

### Sampling

The sample technique utilized for data gathering is convenient sampling. The convenience sampling method is a non-probability strategy.

#### Sampling size

Logistics indicates the numbers of people to be surveyed. Though large samples give more reliable results than small samples but due to constraint of time and money,

#### Plan of analysis

Diagrammatic representation through graphs and charts

Logistics able inferences will be made after applying necessary statistical tools.

Findings & suggestions will be given to make the study more useful.

## CONCLUSION/SUGGESTIONS

The services offered by Indian banks are among the best in the world, and the banks' positive relationships with their customers, as well as the cutting-edge financial services they

provide, make banking a breeze for their clientele. The banking sector has undergone significant transformation as a result of the widespread use of IT. Based on the results of this research, it seems that Indian banks provide high-quality digital services to its clientele.

The convenience of the Indian bank's online banking transaction service has piqued the curiosity of many customers. Some Indian bank customers have reported problems with the online banking transaction options they have been offered. The bank has to care about customers' level of education and awareness. The results of this survey indicate that there is room for improvement in the online banking transaction service and the level of satisfaction among users. There are many factors outside technology that contribute to the success of an online banking transaction service.

This paper recommends increasing the convenience and security of internet banking are two suggestions that might attract more customers. Online banking transactions are popular due to the convenience and quality of the services they provide. In certain cases, doing business online may streamline processes.