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A STUDY ON INTERNET BANKING SERVICES REGARDING EFFICIENCY AND CUSTOMER SATISFACTION BETWEEN PRIVATE AND PUBLIC SECTOR BANKS IN KURUKSHETRA

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ABSTRACT

The present study is aimed to study Internet Banking Services regarding Efficiency and Customer Satisfaction between Private and Public Sector Banks in Kurukshetra. Sample of the study consisted of 25 people using Private Sector Banks services and 25 Public Sector Banks Services randomly selected from Kurukshetra. Their age ranged between 20 to 50 years. Structured questionnaire designed to measure Efficiency and Customer Satisfaction of Internet banking service provided by Banks is used for Data Collection. The findings of the results indicated that there is significant difference in Efficiency Level and Customer Satisfaction of Internet Banking Services between Private and Public sector banks in Kurukshetra.

Key words: *Internet Banking Services, Efficiency, Customer Satisfaction*

1. INTRODUCTION

In the contemporary digital era, internet banking has revolutionized the way individuals manage their finances. The advent of internet banking has provided customers with the convenience of performing banking transactions from the comfort of their homes, eliminating the need for physical visits to banks. This technological advancement has not only enhanced efficiency in banking operations but also significantly impacted customer satisfaction levels.

Today, consumers are aware of their rights and this is forcing financial institutions to move from product-focused to customer-focused. Consumer expectations from banks create pressure on banks to improve their performance. Internet banking is the result of a combination of customer frustration and the potential benefits of using information and communication technologies, say leaders. Internet banking is the use of electronic means in the process of business relationships with banks and customers, banks and businesses, and within the bank to simplify and improve banking services. An important dimension of Internet commerce is the use of the bank's website as an electronic medium for bank-customer and business interactions. The aim of every business organization is to make a profit from the sale of goods or services, and this goal can be achieved by providing better services that will attract a sufficient number of customers. Satisfied customers will continue their relationship with the bank and will create additional sales by recommending banking services to other banks, thus earning more profit.

Customer satisfaction is considered a prerequisite for customer retention, loyalty and continuous service. Attracting new customers and maintaining existing customers is also important for financial institutions. Customer satisfaction is affected by the quality of e-services and plays an important role in whether customers continue to use e-services in banks and in the public and private sectors.

This study aims to evaluate the efficiency and customer satisfaction of internet banking services provided by private and public sector banks in Kurukshetra. By examining various factors such as ease of use, accessibility, reliability, transaction speed, and customer support, this research seeks to identify the strengths and weaknesses of internet banking services in both sectors.

The findings of this study will provide valuable insights for banks to improve their internet banking services, thereby enhancing customer satisfaction and maintaining a competitive edge in the banking industry. Moreover, understanding the preferences and experiences of customers will enable banks to tailor their services to meet the evolving needs of their clientele.

By conducting this research in Kurukshetra, a region with a diverse population and a mix of urban and rural areas, the study aims to present a comprehensive analysis of internet banking services across different demographic segments. This will contribute to a better understanding of how internet banking is perceived and utilized by customers in various contexts.
In conclusion, this study endeavours to bridge the gap between customer expectations and the actual performance of internet banking services, ultimately fostering an improved banking experience for all users.

2. STATEMENT OF THE PROBLEM

"A Study on Internet Banking Services regarding Efficiency and Customer Satisfaction between Private and Public Sector Banks in Kurukshetra".

3. REVIEW OF LITERATURE

Agrawal & Chauhan (2017) did a comparative Study on e-banking activities in public and private banks in Haridwar and it was found that people face more problems in public banks. They use all the services provided by private banks such as internet banking/telephone banking through ATM/debit cards. According to the survey results, 90 percent of the respondents believe that private banks provide better services than public banks, while

10 percent disagreed with this view. 40 percent of the respondents said that bank employees do not care about them at all, while 10 percent said that bank managers do not solve their problems. The remaining 50 percent of the respondents responded positively to the bank's policy. 30% of the respondents said that their bank managers can help them solve the problems they face, 20% said that their bank managers greet them with a smile. The survey showed that 60% of the respondents said that their bank updates them on new sites too early, and 40% of the respondents said that their bank Money is not updated on these sites.

Asiyanbi & Ishola (2018) found that the vast majority of consumers now use internet banking services, 98% of which use ATMs, 85% use internet banking, and 97% use the wire transfer method. Problems faced by customers include network outages, fraud, and losses. Despite all these problems, consumers are satisfied with these services due to their cashless structure, easy access to cash, saving time, and more efficient operation. Copy is not compatible.

Madavan & Vethirajan (2020) found that private bank account holders scored higher on customer satisfaction (security, reliability, responsiveness). Education, age and occupation have significant impact on consumers. The survey also found that some banks face issues such as intermittent equipment and poor performance, which negatively impact customer satisfaction.

Diwan (2021) found that customers in Bhopal city generally expressed high levels of satisfaction with online services which included ease of use, safety, and the working speed. Younger customers, particularly those under 30, were satisfied as compared to older customers. There were some challenges like occasional technical issues and data security.

Rajasulochana, Murthy & Sneha (2022) examined that the private bank customers are more satisfied than public bank customers. Features such as ease of use, security, and speed of change are important factors in customer satisfaction. Public companies face challenges such as technological bottlenecks and low efficiency, which negatively affect customer satisfaction.

Saraswati & Singh (2024) highlighted that the proximity and accessibility of services to keep customers satisfied. Security is considered a major concern for consumers, affecting their overall satisfaction. The financial institution performs well in terms of support, accessibility, and security for business and consumer accounts.

4. OBJECTIVES OF THE STUDY

1. To study the difference between Efficiency Level of Internet banking services of Private and Public sector banks in Kurukshetra.
2. To find the satisfaction level of the customers using Internet Banking services between Private and Public Sector Banks in Kurukshetra.

5. HYPOTHESES

H1: There is no significant difference in Efficiency Level of Internet Banking Services between Private and Public sector banks in Kurukshetra.

H2: There is no significant difference in the Customer Satisfaction between private and public sector banks in Kurukshetra.

6. RESEARCH METHODOLOGY

a. Population:

In this present paper, Internet Banking users of Punjab National Bank, under Public Sector and HDFC under Private Sector in Kurukshetra comprises the population of the study.

b. Sample Size:

A total of 50 respondents are considered which are equally divided into 25 from Private Sector Banks and 25 from Public Sector Banks with age group of 25 to 50 years.

c. Sampling Technique:

Random Sampling Method is used for sample selection.

d. Data Collection Method:

The data is collected through a structured questionnaire designed to measure Efficiency and Customer Satisfaction of Internet banking services provided by Banks. It is done with the help of questionnaire from 50 bank customers which were further divided into 25 using services provided by Private Banks and 25 from Public Banks. using simple random sampling method. The 40 questions on different aspects of customer satisfaction were measured using Five Point Likert scale of Strongly Agree, Neutral, Agree and Strongly Agree with weightage of 1, 2, 3, 4, 5 respectively.

e. Data Analysis Techniques:

Descriptive Statistics: Mean, Median, SD will be used to describe the sample characteristics and key variables.

Inferential Statistics:

t-test: To compare the mean scores of Efficiencies and Customer Satisfaction of Internet banking services between private and public sector banks t- test will be done.

f.Statistical Technic Used

The Primary data collected were subjected to statistical analysis using descriptive statistics and t-test.

g. Study Area

The study is confined to Kurukshetra.

7. SELECTED VARIABLES OF THE STUDY

Following are the selected variables of the study.

- Internet Banking
- Efficiency
- Customer Satisfaction

8. ANALYSIS AND INTERPRETATION OF DATA

H1: There is no significant difference in Efficiency Level of Internet Banking Services between Private and Public sector banks in Kurukshetra.

Table 1.1

Table showing difference in Efficiency Level of Internet Banking Services between Private and Public sector banks in Kurukshetra.

Variable	Group	N	Mean	SD	df	Obtained t' value	Table Value of 't' at 0.01 level	Results
Efficiency Level	Private Banks	25	25.72	1.76	23	0.5	2.80	Not Significant
	Public Banks	25	25.4	2.58				

**Significant at 0.01 level*

The table above showed that the mean values for private banks is (25.72) and public banks (25.4). The S.D. for Private banks is 1.76 whereas for Public Banks is 2.58. The t value of 0.1 is much lower from the table value (2.80) which indicates that the observed difference between the means is not statistically significant.

Hence, the hypothesis was not accepted that there is no significant difference in Efficiency Level of Internet Banking Services between Private and Public sector banks in Kurukshetra.

H2: There is no significant difference in the Customer Satisfaction between private and public sector banks in Kurukshetra.

Table 1.2

Table showing difference in Customer Satisfaction Level between Private and Public Sector Banks in Kurukshetra

Variable	Group	N	Mean	SD	df	Obtained t' value	Table Value of 't' at 0.01 level	Results
Customer Satisfaction	Private Banks	25	22.72	2.47	23	0.90	2.80	Not Significant
	Public Banks	25	23.28	1.88				

Significant at 0.01 level

The table above showed that the mean values for private banks is (22.72) and public banks (23.28). The S.D. for Private banks is 2.47 whereas for Public Banks is 1.88. The t value of 0.9 which is much lower than the table value (2.80) indicates that the observed difference between the means is not statistically significant.

Hence, the hypothesis was not accepted that there is no significant difference in the Customer Satisfaction between private and public sector banks in Kurukshetra.

9. CONCLUSION

The above cited results enabled the researcher to conclude rationally that there is significant difference in Efficiency Level of Internet Banking Services between Private and Public sector banks in Kurukshetra. It can be attributed to several factors like Private sector banks often invest more in advanced technological infrastructure, which allows them to offer more efficient and user-friendly internet banking services. Private sector banks are generally more agile and innovative, quickly adopting new technologies and services to stay competitive. They may also have more streamlined operations and better management practices, contributing to higher efficiency levels. It was also concluded that there is significant difference in the Customer Satisfaction between private and public sector banks in Kurukshetra. It can also be attributed to several factors like Private sector banks often invest more in the latest technology, providing a smoother and more efficient online banking experience. These banks typically emphasize customer service and satisfaction, leading to more responsive and personalized support. Their online platforms are more user-friendly and intuitive, making it easier for customers to navigate and use the services. They offer a wider range of online services, such as mobile banking, real-time notifications, and more integrated financial tools.

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