

CUSTOMER AWARENESS AND SATISFACTION TOWARDS E-BANKING SERVICES IN DHARMAPURI TOWN

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Abstract

Banks operate in a highly globalised liberalized, privatized and competitive environment. The marvellous kinds of innovation in technology and hard line blend of it with information technology made a paradigm shift in the banking sector. The technology itself created its world in the globe of human beings. The internet banking created a phenomenal system that enable financial institutions, customers and businesses to access account, transact business, or obtain information on financial products and services through the internet. The working group set by Reserve Bank of India, has been working as a watchdog on the different aspect of the internet banking. E-banking has created lot of changes in the banking industry. Though all banks are providing e-banking, the main question is whether the customers are aware of the e-banking services offered by their banks. The study is conducted Dharmapuri town with the sample size 175 customers. The result of research conform that regulatory focus has an influence on customer awareness and satisfaction towards e-banking.

Key words: Banking services, e-banking, service quality, online banking, mobile banking, etc.

1. Introduction

In the current scenario, customers are moving towards internet banking, slowly but steadily. Banks have started providing internet banking services. Service quality is one of the main factors determining the success/failure of e-banking. Thus, there is a need to understand of how customers evaluate these services. Therefore, the present study is undertaken by the researcher.

2. Review of literature

Suma Vally and Hema Divya (2018) studied the impact of age and education of customers on usage of digital payments. The data were collected from 183 respondents who were using e-banking using questionnaire. The respondents were selected based on the convenience sampling. The gathered data was analysed using simple percentage and chi square test. The study suggested that banks should take measures in making mindfulness towards the compelling utilization of innovation and security.

Vijay Shankar and Surulivel (2018) studied the awareness among e- banking users. Questionnaire was used to collect the data from the e-banking users. The questionnaire was circulated among 138 students. The collected data was analysed using the KMO and Bartlett's test. This study tended to the expanding consideration connected to customers' awareness for successful utilization of e-banking.

3. Need for the study

In recent years, market orientation has changed to customer orientation. After understanding the importance of the use of different channel of banking and financial companies, the people focus on online banking, especially when it comes to maintaining a relationship with the customers. The study has been carried out to understand the relationship with business and organisation in term of banking services.

4. Statement of the Problem

E-banking is one of the modern and advanced means of providing online banking services in addition to the technological means and methods commonly used at the present time. However, this type of banking still suffers from several problems due to multiple factors including factors impeding the customers' usage, although there are other factors motivating toward the adoption of e-banking services.

5. Objectives of the study

1. To examine the factors that influences the satisfaction level of the e-banking customers in the study area.
2. To find out the problems faced by the customers while using e-banking services.

6. Sources of data

The primary data was collected from the respondents through questionnaire. The questionnaire consists of various questions focusing on the satisfaction level towards e-banking services in Dharmapuri town. The researcher collected the secondary data from books, journals, web sites, etc.

7. Tools for analysis

The collected data is analysed using the methods of simple percentage, mean score, two-way table, chi-square test and Henry Garrett ranking technique.

8. Results and Discussion

8.1. Satisfaction towards e-banking services

In the present study, twenty e-banking features were identified, namely, time saving process, internet speed, security of transactions, confidentiality, fund transfer, online booking, online shopping, online payment, online account, services charge tax advantage transparency, user friendly website, compatibility, security system facility, speed of banking website, service efficiency during transaction, immediate and quick transactions process, view of account statement and prompt service. The details are furnished in Table 1.

TABLE 1

Respondents' Satisfaction towards E-Banking Services

Attributes	HS	S	N	DS	HDS
Time saving process	49 (28.0%)	64 (36.6%)	31 (17.7%)	16 (9.1%)	15 (8.6%)
Internet speed	40 (22.9%)	60 (34.3%)	32 (18.3%)	25 (14.3%)	18 (10.3%)
Security of transactions	36 (20.6%)	59 (33.7%)	35 (20.0%)	25 (14.3%)	20 (11.4%)
Confidentiality	40 (22.9%)	33 (18.9%)	60 (33.3%)	25 (14.3%)	17 (9.7%)
Fund transfer	67 (38.3%)	30 (17.1%)	35 (20.0%)	26 (14.3%)	17 (7.4%)
Online booking	41 (23.4%)	61 (34.9%)	39 (22.3%)	21 (12.0%)	13 (7.4%)
Online shopping	77 (44.0%)	36 (20.6%)	32 (18.3%)	16 (9.1%)	14 (8.0%)
Online payment	43 (24.6%)	65 (37.1%)	36 (20.6%)	22 (12.6%)	9 (5.1%)
Online account	60 (34.3%)	36 (20.6%)	33 (18.9%)	28 (16.0%)	18 (10.3%)
Service charge	38 (21.7%)	57 (32.6%)	41 (23.4%)	27 (15.4%)	12 (6.9%)
Tax advantage	30 (17.1%)	34 (19.4%)	38 (21.7%)	54 (30.9%)	19 (10.9%)
Transparency	38 (21.7%)	45 (25.7%)	51 (29.1%)	26 (14.9%)	15 (8.6%)
User friendly website	73 (41.7%)	39 (22.3%)	31 (17.7%)	18 (10.3%)	14 (8.0%)
Compatibility	46 (26.3%)	55 (31.4%)	33 (18.9%)	28 (16.0%)	13 (7.4%)
Security system facility	72 (41.1%)	47 (26.9%)	23 (13.1%)	18 (10.3%)	15 (8.6%)
Speed of banking website	50 (28.6%)	66 (37.7%)	27 (15.4%)	21 (12.0%)	11 (6.3%)
Service efficiency during transaction	31 (17.7%)	58 (33.1%)	43 (24.6%)	26 (14.9%)	17 (9.7%)
Immediate and quick transactions process	30 (17.1%)	62 (35.4%)	51 (29.1%)	18 (10.3%)	14 (8.0%)
View of account statement	47 (26.9%)	57 (32.6%)	34 (19.4%)	24 (13.7%)	13 (7.4%)
Prompt service	44(25.1%)	52 (29.7%)	35 (20.0%)	27 (15.4%)	17 (9.7%)

HS-Highly Satisfied S- Satisfied N-neutral DS-Dissatisfied HDS-Highly Dissatisfied

It is inferred from the above table that the customers are highly satisfied about e-banking services like fund transfer. The respondents are satisfied towards e-banking services like time saving, charge, compatibility, speed of banking website, service efficiency during transaction, immediate and quick transaction process, view of account statement and prompt service at 36.6%, 33.7%, 34.9%, 37.1%, 32.6%, 31.4%, 37.7%, 33.1%, 35.4%, 32.6% and 29.7% respectively. Further, the respondents' satisfaction is neutral towards confidentiality and transparency at 34.3% and 29.1% respectively. On the other hand, 30.9% of the respondents are dissatisfied with e-banking services like tax advantage. It is found that majority (44.0%) of the respondents are highly satisfied about online shopping.

8.2. Problems faced in e-banking

TABLE 2

Problems Faced While Using E-Banking Services

Problems	Total Score	Mean Score	Rank
Slow in operation of banking website	4584	26.19	VII
Operational difficulties	10269	58.68	II
Difficult to learn for beginners	8041	45.95	VI
Difficult to identify the features	9176	52.43	IV
High charges frontier bank transactions	8638	49.36	V
Less security	10314	58.94	I
Fear of hackers	10053	57.45	III

It is inferred from the above table that major problem faced by the customers while using e-banking is less security which is ranked first with the Garrett score of 10314 points, followed by operational difficulties and fear of hackers with the Garrett score of 10269 and 10053 points respectively. The fourth and fifth ranks are assigned to difficult to identify the features and high charges for interbank transactions with the Garrett scores of 9176 and 8638 points respectively. The sixth and seventh ranks are assigned to difficult to learn for beginners and slow in operation of banking website with the Garrett scores of 8041 and 4584 points respectively.

9. Findings

1. 44.0% of the respondents are highly satisfied about e-banking services like online shopping.
2. Majority of the respondents faced problems while using e-banking services like less security and operational difficulties.
3. The maximum level of satisfaction towards e-banking services is perceived by the respondents who maintained joint account.

10. Suggestions

The banks should make the area of e-delivery channels wider by providing the facility of draft making and mega-size withdrawals and deposits to the customers. This will further strengthen the popularity of these channels and help to earn more income by way of more charges on mega-size deposits and withdrawals. The developments of banks' websites should go beyond information purposes. Banks should establish procedures for maintaining and updating their websites, including the various security

features and key ingredients of e-banking which include confidentiality and effective communication. Banks need to focus on customers' needs, attitudes, values and behaviour in the adoption of e-banking. It will help in understanding customer needs that can be incorporated in product development and banking services differentiation.

11. Conclusion

The aim of this study was to investigate the customers' perception towards e-banking services in Dharmapuri. In the era of information technology, e-banking is being more actualized from the aspect of improving of banking services in order to increase banks' competitiveness. The level of e-banking services differs in different countries. It depends on the level of social, economic and cultural development in the countries. In the developed economies, the e-banking implementation is on a very higher level compared to developing countries and underdeveloped countries. These differences underlie the different influences of the factors that are keys to the modernization of e-banking services.

12. Reference

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