

Customer Satisfaction towards Online Banking Services

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Abstract: The banking industry has been speedily developing the use of online banking a systematic and workable implement to generate customer value. It is one of the favoured services provide by the traditional banks to generate quick and dependable services to online users. With the quick development of computer technology as a mercantile too. online banking can be used to entice more customers to manage banking transactions in connected banks. This takes place due to the services occur through online banking have thus far to please their customers. Customer satisfaction is an important factor to help banks to assist aggressive edges. Consequently, the motive of this research is to explore and inspect the element which effect customer satisfaction towards online banking. The five factors which can affect customer satisfaction toward online banking involve service quality, web design, transaction speed, privacy concern and security. With the use of a questionnaire survey, 50 working respondents were engaged in this study and acknowledge concerning to the above element that effect customers' satisfaction towards online banking. The results of this research showed that all the factors closely associate to customer satisfaction toward online banking. The results of this research depicted that service quality, privacy concern and security are the top three factors that impact customer satisfaction toward online banking.

Keywords: Customer satisfaction, service quality, web design, transaction speed, privacy concern and security.

INTRODUCTION

Mobile banking is a service provided by a bank or other financial institution that allows its customers to perform financial transactions at all, using a mobile device such as a Smartphone or tablet. dissimilar the related internet banking it uses software, usually called an app, provided by the financial institution for the purpose. Mobile banking is popularly available on a 24-hour basis. Some financial institutions have reduction on which accounts may be retrieve through mobile banking, as well as a limit on the amount that can be transacted. Transactions through mobile banking may include acquiring account balances and lists of latest

transactions, electronic bill payments, and funds transfers between a customer's or another's accounts. Some apps also authorize copies of statements to be downloaded and sometimes printed at the customer's establishment, and some banks charge a fee for mailing hardcopies of bank statements. From the bank's opinion, mobile banking decrease the cost of handling transactions by decrease the need for customers to visit a bank branch for non-cash withdrawal and deposit transactions. Many apps now have a remote deposit option; using the device's camera to digitally transfer cheques to their financial institution.

Most of the previous studies examined Internet banking to the barring of all other types of E-Banking services including applications for smart phones and E-Banking robots. Many studies have inquire into how E-Banking service quality is measured, but few have studied the relationship between the quality of E-Banking services and customer satisfaction in India. This study fills a gap in the literature because it wording the E-Banking matter in its aggregate without making any barring, and in India, a developing country where, to the knowledge of the authors, no similar study has been conducted before. The suggestions of this study point up the noteworthy impact of E-Banking service quality on customer satisfaction, and the important authority of E-Banking service trustworthiness on service quality penetration of banking clients.

BACKGROUND OF THE STUDY

Recently Banks have entirely transmute from the conventional use of banking to branchless positions of banking. The most recent assumption of using technology has helped banks to enlarge their customer bottom, while electronic banking has demonstrate to be the main improvement. Mobile banking classified as the latest development in electronic bank services, while the bank customers can evaluation Balance inquiry, credit transfer, check account, SMS, payment transaction and other

businesses according to banks directive that send to them through mobile phones, Saleem & Rashid,(2001).

In this penniless society, majority of people would not like to expend their personal time at a bank branch for financial transactions. Specially, young customers feel that they should be fond of latest technology even in banking activities. According to researches 68% of the customers retire from a bank due to bad customer service and 19% of them leave due to discontentment with their products Okazaki, (2005).

normally customer satisfaction has been used to calculate how the services or products of a firm rations or go further on than customer assumption, Customer satisfaction is the sign of customer reliability and negotiate intentions. It is equally important because customers seen it as a key discrimination in today's competitive Market place and customer satisfaction get larger the lifetime value of the customers. Beard, (2014).

From customers' outlook the security of mobile banking service in terms of convenience to perform banking transactions in anytime, anywhere and easy way to use. Therefore, certitude is make sure, as banking transactions are garbled and password acquire In a for a moment the rapidly growth of using technology by phones helped banks to obtain their goals Heba & Shafiq (2014).

Today, financial sector firms are participate to expand their profit share in the market. Among these firms, banks have wholly shifted from traditional banking to branchless manner of banking. Assuming of latest technology has authorize banks to expand their customer base, where electronic banking has proved to be the chief advancement. Mobile banking can be categorized as the latest advancement in electronic banking, which has widened customers' access to bank accounts through wireless channels. Mobile banking is a financial service where the bank customers perform balance inquiry, credit transfer, and other businesses according to instruction sent through the mobile phone Amin, Baba & Muhammad,(2007).

LITERATURE REVIEW

The need for implemented Internet banking in India has been very strong, taking into account that (a) a noteworthy percentage of the urban population in India today is employed in the information technology industry and so they have easy approach

to the Internet and (b) there is a vast emigrant Indian workforce inhabited in various professional chasing around the world Kannabiran & Narayan, (2005). Most of the banks in India have introduced customer friendly online banking facility with modern security attribute to keep safe customers against cybercrime. Almost 57 per cent of Indian informant using the Internet favour banking online and use other financial services due to care free easy accessible and time-saving attribute of online banking Malhotra & Singh, (2009). At the same time, online banking reveal customers to unprotected frauds. Reserve Bank of India (RBI) has propose that banks introduce two-stage attestation to make sure security of transactions.

Online banking is mainly designed by both private and public sector banks to achieve two objectives. The first objective is to get larger satisfaction of the customers by be head of the customers' concerns such as online viewing of account details, statement information, payment of bills online, money transfer, appeal for accounts and e-clearance such as rent, loan payment and so on. The second objective is to reduction cost of operation. The present study is point at studying the total customer satisfaction with online banking. Though customer satisfaction is intricate. Bharadwaj & Mitra,(2016); Kumar,(2016) and has been vastly studied in numerous factors, the available literature is very minimal about customer satisfaction in online banking, especially in India Patel & Pithadia, (2013); Suresh chandar ,Rajendran, & Anantharaman, (2002).

This study aims at examining the components that may impact users to acquire Internet banking. The effect of perception of service, security, knowledge and quality of Internet connection, cost and time savings, readiness to change, perceived adequacy, became aware from ease of use, became aware from enjoyment, trust, customer frame of mind towards using computer and assuming purpose are look about for to intent on the level of users' undertaking and customer satisfaction towards Internet banking. For occurrence, if the security, discern adequacy and faith on banks website are high, then customer satisfaction will also be high. Online banking has various advantages, and at the same time, definite limitations, such as cracking, imposture, and so on, which keep away customers to use Internet banking service.

DIMENSIONS OF E-BANKING SERVICE AFFECTING CUSTOMER SATISFACTION

With a number of studies come together to depict a relationship between E-Banking service and customer satisfaction, the question becomes the following: What features or proportions of E-Banking service impact customer satisfaction and in what ways? Our assessment of the literature disclose that these features could be assemble under organization, reliability, privacy and security, and strongest matches and communication.

rapidly in execute E-Banking services is a determining factor of customer satisfaction according to Parasuraman, Zeithaml, and Berry (1985). Efficiency in terms of quick rapid service is also committed by Wirtz and Bateson (1995) and Khadem and Mousavi (2013). Liao and Cheung (2002) find reliability as one of the most important features that customers search for in assess the worth of their E-Banking service quality. A close result was also acquire in an observed study done by Kettinger and Lee (2005).

With respect to privacy and security, a number of component were recognized and studied by researchers inclusive of keep going the expectantly of operations, obtain from sharing personal information, and make sure a good level of security for the customer's information Agarwal, Rastogi, & Mehrotra, (2009); Datta, (2010); Poon, (2007). According to Madu and Madu (2002), strongest preparedness to support the bank's customers and convey them a fast service. This kind of service can be frame into four forms. First, the E-Banking system can dominance and to employ the service properly. Second, the E-Banking channels can guide customers toward get going properly in the event of any failing execution. Third, it can also place under cover a swift blend for any possible inaccuracy in E-Banking transactions. eventually it can support the customer's questions with on-instantly response.

DEPENDENT AND INDEPENDENT VARIABLES

➤ Privacy:

Privacy becomes an event of be about when customers are feeling that information about them is being collected without their permission, or they do not know how the information is being used especially. A great challenge for marketers in the online environment is to make reliable relationships

with online users. It should be clear to what area customer privacy should be secured. Four basic rules contemplate Namely, the customer should be advice their personal information is collected and will be used for particular purposes, the customer should be able to reduce to be pursue the customer should be allowed to approach their information and correct it, and customer data should be secured from uncertified usage. Elovici et al., (2005) put forward solution for customer privacy inclusive for the advantages: All privacy elements increase appliance are under the customer control completely. In consequence, the customers do not need to depend on not a reliable provider. Second, the solution allows customer to keep safe his or her privacy without endure not make known.

➤ Security:

Security is considered an important factor that is taken seriously by customers shopping online. Park & Kim defines security as the ability of online stores to control and keep security of data transactions. Further, Park & Kim explained that security guarantees plays an important role in the establishment of trust to reduce consumer concern about misuse of personal data dan transaction that can be easily damaged. When security concern can be accepted and met the customer expectation then they may be willing to open their personal information and feeling secured [19]. A study by Raman and Viswanathan found that there is a positive and significant influence of safety factor (e-security) on consumer purchasing decision. It includes the segment for all security activities such as security of online shop website. So, consumer feel confidence and safe to make purchase via online shop because their personal data information is confidentially safe and not misuse by irresponsible party [20].

➤ Flexibility:

In this direction, many look over examining the source of build up of relations with customers shows the importance of partnerships in serving customers Danese and Romano, (2011); Cheng and Carrillo, (2012), as well as the positive affect of flexibility on customer satisfaction and retention RocaPuig et al., (2005). Distributor of operational and financial production make better after they and manufacturing customers together tool of partnerships. A producer should evolve partnering appliance with suppliers to gain higher production for both the independent

firms and the whole supply chain. Partnerships prompt trading partners to capture in higher level of cooperation. Transactional threat can be make lesser and performance may make better under the employing mechanism. The strongest matchers may design the ownership partnership as a collective mechanism, consequently helping a employing supplier and itself to acquire get larger mutual gains Cheng and Carrillo,(2012). Their collaboration is connected with information divide, customer involvement, long-term partnership, joint problem-work out and technology based CRM Lin, Chen and Chiu, (2010). Customer and supplier combination build contemplate items connected to different features of the combination e.g. sharing of production plans and customers' predict, feedback on production, transmission on quality reflection and design changes, joint quality development attempt, close contact, partnerships Danese and Romano, (2011).

OBJECTIVES

- ✓ To develop a tool for measuring customer satisfaction from mobile banking.
- ✓ To explore factors affecting customers satisfaction of mobile services.
- ✓ To compare the customer satisfaction between public sector banks.
- ✓ To compare the customer satisfaction between private sector.
- ✓ To compare customer satisfaction between public and private sector.
- ✓ To compare customer satisfaction across various demographic variables.

RESEARCH METHODOLOGY

- Research design:
Descriptive research is a study designed to represent the participants, in short way put, descriptive research is all about supporting people who take part in the study.
- Sample design:
Simple random sampling is a type of probability sampling in which the researcher casually selects a sub category of participants from a population. Each member of the population has an equal chance of being selected. Data is then collected from as large a percentage as possible of this random sub category.

- Source of data:
Data collection is the term used to narrate a procedure of produce and collecting data. Secondary Data – Websites and online journals, published reports and Review of literature from published articles.

- Tools:
Chi-square, paired sample T- test.

- Area of research:
BHOPAL (M.P. NAGAR)

- Sample size:
50 respondents.

- Period of study:
I started on October and completed by November.

- Location:
BHOPAL

- Targeted people:
General public.

Research hypothesis:
H1 There is a relationship between privacy and customer satisfaction.

H2 There is a relationship between Convenience and customer satisfaction.

H3 There is a relationship between User friendly and customer satisfaction.

H4 There is a relationship between Accessibility and customer satisfaction.

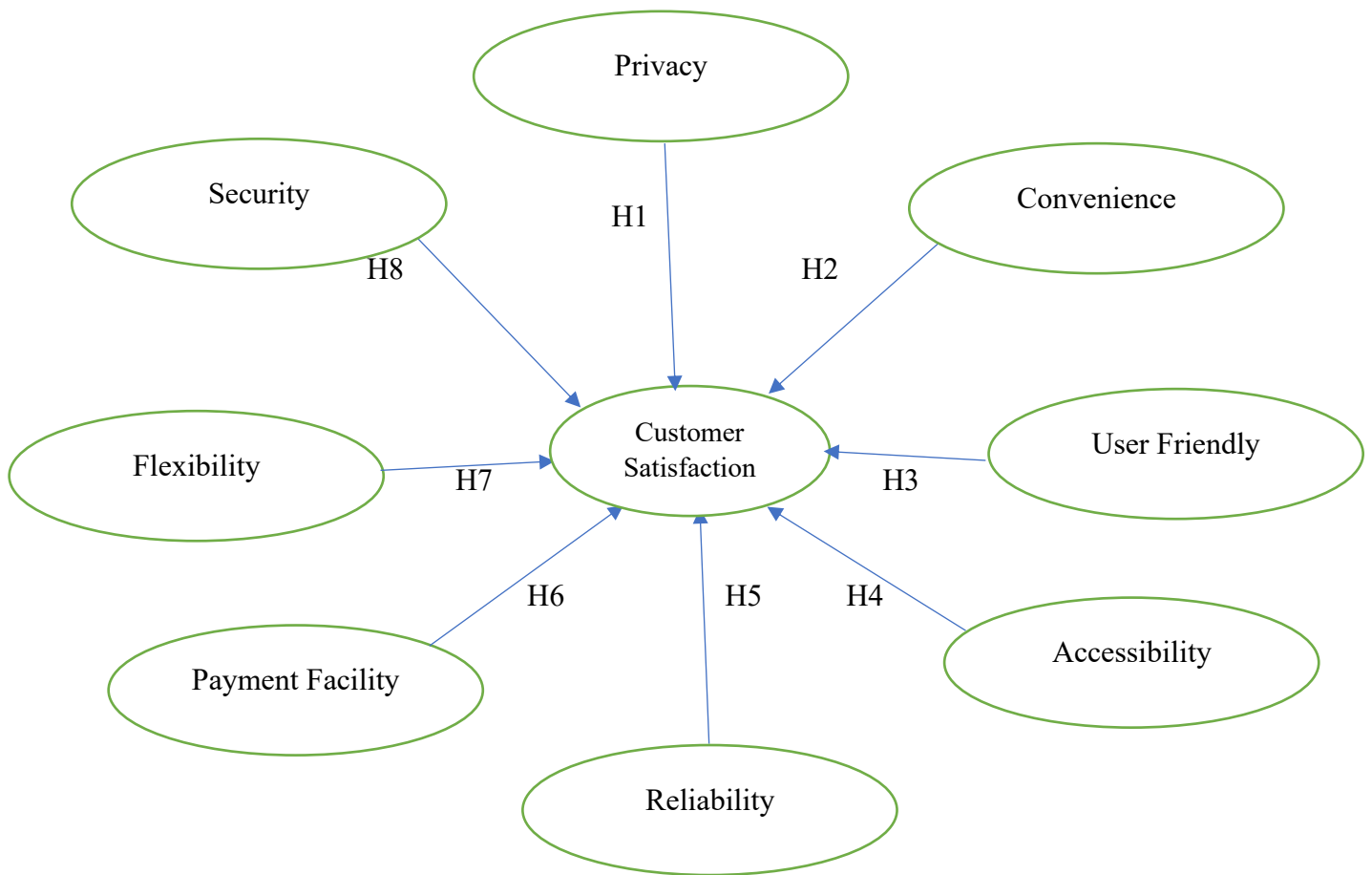
H5 There is a relationship between Reliability and customer satisfaction.

H6 There is a relationship between Payment facility and customer satisfaction.

H7 There is a relationship between Flexibility and customer satisfaction.

H8 There is a relationship between security and customer satisfaction.

Proposed Research Framework



INTERPRETATION AND DISCUSSION

The detection of this study depicted not only that service quality is a factor that has a noteworthy relationship with customer satisfaction with E-Banking services but also that trustworthiness is the well fortified dimension of service quality impacting customer satisfaction. This is supported by previous research Bedi, (2010); Kumar, Mani, Mahalingam, & Vanjikovan) Tan & Teo,(2000), which indicate that service quality is an precursor of customer satisfaction with a notable and positive impact on it. The findings also depicted that the four independent variables (regulation and ease of use, reliability, security and privacy, and responsiveness and communication) as connected to the quality of E-Banking services have a worthy of attention impact on customer satisfaction in banking sector. These results are assist by previous research G. Sharma & Malviya, (2014) which actual shows that there is a direct relationship between the extent of Internet banking service quality and customer satisfaction with banks.

An important extent of service quality is organization and ease of use of that service. According to Lustsik (2004), using a bank’s electronic services suggest clients a chance to be cost modest in performing transactions, not only by saving money but also by saving time Ho & Ko,(2008). Our result is compatible with studies done in other markets Wirtz & Bateson, (1995), which put forward that higher levels of efficiency increase customer satisfaction with E-Banking.

Reliability, an major component of service quality Parasuraman et al.,(1988), was shown in this study to have the greatest impact on customer satisfaction with E-Banking. This comply with results found in previous research on this topic, as people require to be able to pivot on a slowly delivery of the E-Banking service Kettinger & Lee, (2005); Tan & Teo,(2000).

furtive in spite of the fact that the proportion of security and privacy had a positive and notable impact on customer satisfaction, consequently comply with previous research Jun, Yang, & Kim,

(2004), its affect depicts to be lower than the other variables of service quality.

FINDINGS:

- The researcher set up that the age groups of 20-30 and 31- 40 were more perception about e-banking. Similarly the business people and private employees were more conscious about e banking.
- The hypothesis testing depicts that the convenience is connected with the age. And also there is a connection between profession and regulation. With the expand of age, discern convenience also expands and the profession also has an influence on discern regulation.
- recognition, strongest matches, reliability and convenience were positively correspond with age and all other elements are independent of age.
- There is a positive connection between perception and profession. This shows that the business people and private employees were regular users of e-banking.
- The investigation depicts that all the factors alike impact the customer satisfaction.

SUGGESTIONS:

The banks may make better the satisfaction level by expand the technology to issue quick and speedy approach to their functions.

- The public sector banks, may enlarge the adequate extent by clarify the procedure and the procedure in order to make easily logical by all people, to meet the competition from other banks.
- Mostly the occupation and private employees are using and conscious about e-banking, so the banks can furnish some additional/extra benefit to these customers.
- The banks to get more number of customer to using e-banking, may declare about the schemes and appropriate use of the technology.
- The banks may make better the satisfactory level in e-banking by establish 24 hours customer services system. into that system the customer can effortlessly& instantly solve their problems.

CONCLUSION

The customer satisfaction is the vital component come up with to the achievement of service sector.

E-banking has become a utmost facility look about for after by the subsisting and prospective customers. The banks have to expand the recognition about e-banking technology, so that customers can receive better service. The adequate services accessible may be make better to give better customer satisfaction most significant to procurement of be living customers and entice new customers. All the service precinct resting on customer and their satisfaction, and the banks are no inconsistency.

The contemporary study absorbed on customer's satisfaction so as to approach mobile banking services. From the above assessment larger part of the customers were positively pontifical. mobile banking menu is very easy to understand and negotiate, mobile banking dispense rapid services, quick to make transfer funds, quick to make a balance inquiry and lesser extent degree of risk in manipulation of mobile banking categorization it results, the assert null hypothesis to be rejected and alternative hypothesis is accepted. In the surroundings of apprehension of mobile banking services and maximum safe dependability for each mobile banking transaction and also false transaction come about refund potential classification results that the assert null hypothesis is accepted.

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