

A Comparative Study of Customer Satisfaction towards E-Banking Services in Selected public and private sector banks, Mandya District

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Abstract-E- Banking is a innovative era in globalized stage and provides various electronic services such as, Mobile Banking, Internet Banking, and ATM services, Electronic Fund Transfer (EFT), Credit Cards and Electronic Clearing Services etc. Among all of these, ATM is the widely used and popular E-Banking services. The main objectives of the study is to examine the demographic profile of the customers and various factors influencing and satisfaction level among the customer in adoption of e-banking services in public and private sector bank in Mandya District. The present study has been collected from primary data was collected by on the basis issue of questionnaire, the population or sample size for study was only 75 respondents. For the purpose of analysis of data applied for Chi- square tests and descriptive statistics, this study mainly find out There is no relationship between demographic variables of customer and E- banking services relates to public and private sector banks (canara bank and Axis bank).Finally this study concludes that customer are satisfied with e-banking services and more accuracy towards E-banking services in private sector banks compared to the public sector bank. Therefore public sectors bank in particular improve their performance in order to provide better modernized E- banking services to the customers in Mandya District.

Key Words: *E-Banking, Customer Satisfaction, public sector bank, paired sample T-test etc.*

INTRODUCTION

In banking industry, E-services are at revolutionary stage. Electronic based banking is replacing conventional banking system. Now, trend in banking has evolved from cash economy to plastic card economy. Fierce competition among banks along with the global forces has compelled the banks to adopt the technological changes to face the electronic age. It is also known as E-banking or internet banking or online

banking which provides various alternative electronic channels to using banking services i.e. internet banking, mobile banking, ATM services, electronic fund transfer, credit card, debit card, and electronic clearing services etc. Among these services, ATM is the main channel of distribution to be explored due to the increases in its popularity.

Canara Bank Overview (Public sector Bank):

In the case of public sector banks means where majority stake is held by the Government of India or Reserve Bank of India. Canara Bank was founded by a great visionary and philanthropist, in July 1906, at Mangalore, then a small port town in Karnataka. The Bank has gone through the various phases of its growth trajectory over hundred years of its existence. Growth of Canara Bank was phenomenal, especially after nationalization in the year 1969, attaining the status of a national level player in terms of geographical reach and clientele segments. Eighties was characterized by business diversification for the Bank. In June 2006, the Bank completed a century of operation in the Indian banking industry. The eventful journey of the Bank has been characterized by several memorable milestones. Today, Canara Bank occupies a premier position in the comity of Indian banks with an unbroken record of profits since its inception; Canara Bank has several firsts to its credit.

Axis Bank (Private Sector Bank):

In case of private sector banks majority of share capital of the bank is held by private individuals. These banks are registered as companies with limited liability. Axis Bank Limited is the third largest private sector bank in India. Axis Bank's stake holders include prominent national and international entities. This bank will establish on 1976.As of 31 Dec. 2015, approximately

46.8% growth of the shares are owned by Foreign Institutional Investors. Promoters (UTI, LIC and GIC), who collectively held approx. 34% of the shares, are all entities owned and controlled by the Government of India. The remaining 23% shares are owned by corporate bodies, financial institutions and individual investors among others. The bank offers financial services to customer segments covering Large and Mid-Sized Corporate, MSME, Agriculture and Retail Businesses. Axis Bank has its registered office at Ahmedabad.

Finally the current study deals with the various aspects of banking sector and a comparison between various kinds of banks with regard to services, strategies and customer satisfaction level etc. E- Banking Technological innovations have been identified to contribute to the distribution channels of banks. The electronic delivery channels are collectively referred to as Electronic Banking. Electronic Banking is really not a technology, but an attempt to merge several different technologies. Bankers now see a kind of evolution in their business, partly, because the world has taken a quantum leap in the use of technologies in the last decadal years.

LITERATURE SURVEY:

Bindiya Tater (2012), this study emphasizes the perception of Indian customers on the usage of technologies that enables them to adopt banking technology. The study indicates that there is a relation between benefits of banking services and increasing banking technology adoption. Customer's unwillingness to use e-channel for commercial purpose decreases banking technology adoption. In order to facilitate the promotion of e-banking services, bank managers should make systematic efforts in exploiting internet banking.

M.E. Dodda raju (2013), this paper makes an attempt to study customer service is an integral part of any organization it is necessary to identify the key success factors in terms of customer satisfaction. These paper mainly focus is done on whether private banks bring more satisfaction then public sector banks to the people residing in Anantapur District Kanika Verma(2014),this study aims at analyzing the satisfaction level of customers of Union Bank of India and Yes Bank based on various aspects related to ATMs. In this study, data will be collect from the way

of survey from bank customers and later on will be analyze by statistical technique and tools like Descriptive Statistics, Percentage Method, and Ranking Method. The conclusion would be interpreted accordingly to the respondents opinion relates to E-banking services.

Dr. Ashok Kumar (2018),this study was undertaken on comparative study between the private sector banks and public sector banks in electronic banking in different cities. E –banking is the provision of banking service through electronic channels and the customer can access the data without any time and geographical limitation..This paper identified the how much electronic banking adoption in different Banks in Korba City.

Nandhini(2020), this study examines the customer's banking in Coimbatore district. From the analysis, it is ascertained that customer's usage of online banking can be known through friends, relatives or through bank employees. This current study helps us to know about the online banking and the uses as it minimize the work of customers compared to the traditional banking systems.

Fozia (2022), discussed a study on internet banking: an empirical study of customers perception in NCR, India. She consider for the study convenience sampling technique was used to recruit 320 customers through a well designed questionnaire from three Public Banks i.e. SBI, Punjab National Bank and Bank of Baroda and three Private Banks such as, ICICI, HDFC and Axis Bank of NCR, India. Finally this study results the accuracy, cost effectiveness, efficiency, accessibility and easy to use indicate significant difference between selected banks in India.

METHODOLOGY FOLLOWED

The primary data was collected by on the basis issue of questionnaire, The study area has been identified one public sector and one private sector bank namely,canara bank and Axis bank both banks situated in Mandya District. The questionnaire was designed and contained several questions for collection of data from the customers. The overall population or sample size for study was only 75 respondents, out those 35 respondents from canara bank (02 Braches) and 40 respondents from Axis bank (02 Branches).The secondary data was collected from related research publications in books, journals and periodicals, dailies

and reports available on the chosen topic. And also collect information on website to develop theoretical background of customer satisfaction towards E-banking services. A significant test means the sample distribution is not shaped like a normal curve ($p < 0.05$). The sample size is small $N = 20$, therefore to test the normality of data used Shapiro-Wilks W test ($P=0.612$). Therefore the data is normally distributed we applied parametric test mentioned, descriptive statistics, mean, standard deviation, chi square Test, Paired sample T-test, co-efficient of variation etc.

OBJECTIVES OF THE STUDY

1. To examine the demographic profile of the respondents in public and private sector banks in Mandya District.
2. To analysis the various factors influencing for adoption of E-banking Services among the customer in public and private sector bank in Mandya District.
3. To assess and compare customer satisfaction level regarding E-banking Services in public and private sector bank in Mandya District

HYPOTHESIS FOR THE STUDY

- H0: There is no significant difference between demographic profiles of customers.
H1: There is a significant difference between demographic profiles of customers.
- H0: There is no significant difference between factors influencing for adoption of E-banking Services among the customer in public and private sector bank
H2: There is a significant difference between factors influencing for adoption of E-banking Services among the customer in public and private sector bank.

- H0: There is no significant difference between customer satisfaction level regarding E-banking Services in public and private sector banks
H3: There is a significant difference between customer satisfaction level regarding E-banking Services in public and private sector bank.

ANALYSIS AND INTERPRETATION

❖ Demographic Profile of the Respondents:

Table No.1 represents the demographic profile of respondents in public sector (canara bank) and private sector (Axis bank). The overall respondents were numbering, 75 customers out of that 35 respondents from canara bank and 40 respondents from axis bank. Majority of the respondents numbering, 12 and 15 customers belongs to age group of less than 30 years both public and private sector respectively. In the context of gender profile majority numbering, 20 and 23 customers are male in public and private sector bank respectively this shows male customers used more E-banking services compared to the female respondents. Further the educational background of the respondents majority numbering, 18 and 16 respondents were post graduates using more E-banking services in public and private sector bank. Around numbering, 11 and 13 respondents were working in private employees they used more E-banking services in public and private bank sector. In the context of income level of the customers, Majority numbering, 14 and 19 respondents were belongs to income level of above 30000 rupees it shows more income level of the respondents they used more E-banking services in both public and private bank sector. Further the awareness about the E-banking services, majority 28 and 31 respondents were fully aware of E-banking services in both public and private sector bank.

Table No.1 Shows Demographic Profile of the Respondents

SI. No	Particulars	Frequency		Chi-Square		P-Value		Hypothesis(H0)	
		Public	Private	Public	Private	Public	Private	Public	Private
1.	Age Pattern:								
	a) Less than 30 years	12	15	3.36	0.7491	5.991	5.991	H0 Accepted	H0 Accepted
	b) Between 30-40 years	09	14						
	c) Above 40 years.	06	11						
	Total	35	40						
2.	Gender:								
	a) Male	20	23	0.714	0.90	3.841	3.841	H0 Accepted	H0 Accepted
	b) Female.	15	17						
		Total	35	40					

3.	Educational Background:								
	a) Under graduation	07	10					H0	H0
	b) Graduation	10	14	5.545	1.697	5.991	5.991	Accepted	Accepted
	c) Post Graduation.	18	16						
	Total	35	40						
4.	Occupation:								
	a) Private employee	11	13					H0	H0
	b) Government employee	07	09	1.171	1.56	7.815	7.815	Accepted	Accepted
	c) Self – Employed	08	06						
	d) Professional.	10	12						
	Total	35	40						
5.	Income Level:								
	a) Less than 15000.	09	06					H0	H0
	b) Between 15000 to 25000.	12	15	1.0863	7.244	5.991	5.991	Accepted	Rejected
	c) Above 35000.	14	19						
	Total	35	40						
6.	Awareness about E-Banking:								
	a) Fully aware	28	31					H0	H0
	b) Somewhere aware	07	09	12.6	12.10	3.841	3.841	Rejected	Rejected
	Total	35	40	-	-	-	-	-	-

Source: Field Survey.

To calculate, chi –square test for data of age pattern of the , the table value of χ^2 for 5 degrees of freedom at 5% level of significance is 5.991 comparing calculated χ^2 value is 3.36 in public sector and 0.7491 in private sector bank. Therefore the χ^2 value is less than p value hence H0 is accepted, the result is not significant at $P > 0.05$. In the context of gender profile of the respondents, the table value of χ^2 for 5 degrees of freedom at 5% level of significance is 3.841 comparing calculated χ^2 value is 0.714 in public sector and 0.90 in private sector bank. Therefore the χ^2 value is less than p value hence H0 is accepted, the result is not significant at $P > 0.05$. Further the data of educational profile of the respondents, the table value of χ^2 for 5 degrees of freedom at 5% level of significance is 5.991 comparing calculated χ^2 value is 5.545 in public sector and 1.697 in private sector bank. Therefore the χ^2 value is less than p value hence H0 is accepted, the result is not significant at $P > 0.05$. In the context of occupation profile of the respondents, the table value of χ^2 for 5 degrees of freedom at 5% level of significance is 7.815 comparing calculated χ^2 value is 1.171 in public sector and 1.56 in private sector bank. Therefore the χ^2 value is less than p value hence H0 is accepted, the result is not significant at $P > 0.05$. Further the data of Income level of the respondents, the table value of χ^2 for 5 degrees of freedom at 5% level of significance is 5.991 comparing calculated χ^2 value is 1.0863 in public sector. Therefore the χ^2 value is less than p value hence H0 is accepted, the result is not significant at $P > 0.05$. In the context of private sector bank calculated χ^2 value is 7.244. therefore the χ^2 value is more than p value hence H0 is rejected, the result is significant at $P < 0.05$. In the

context of awareness about E- banking services of the respondents, the table value of χ^2 for 5 degrees of freedom at 5% level of significance is 3.841 comparing calculated χ^2 value is 12.6 in public sector and 12.10 in private sector bank. Therefore the χ^2 value is more than p value hence H0 is rejected, the result it is significant level at $P < 0.05$ respectively.

❖ Factors Influencing for adoption of E-banking Services:

Table No.2 depicts the factors influencing for adoption of E- banking services. The overall the mean scores are strongly agree range (≥ 5 in public sector bank) and (≤ 8 in private sector). So majority of the respondents has agreed with all statements pertaining to factors influencing for adoption of e-banking services. The descriptive statistics, The highest mean of 12.85 in public sector bank and 14.57 in private sector bank its indicates compared to public sector banks, private sector bank it's very easy to operate E-banking services. As against the lowest mean are 1.42 and 2.85 in public and private sector banks respectively. It denotes that quick responses for fails entry e- banking factor is more accuracy in private sector banks compared public sector banks. The standard deviation recorded around 3.80 to 5.26 in public sector banks and in the case of private sector banks recorded 5.81 to 2.74 considered all the factors shows public sector bank is less efficiency provides E-banking services compared to the private sector banks. The co-efficient of variance of factors influencing towards e- banking service, among easy to operate having category was lowest 29.58% in public sector

bank and the factor of easily located ATMs having category was lowest 14.36% in private sector bank indicating the lower co-efficient of variation is better. From the below analysis shows that majority or more

number of customer they influenced several factors to adopt e- banking services in private sector bank(Axis Bank) compared to the public sector (canara bank) in Mandya District.

Table No.2 Factors Influencing for adoption of E-banking Services (Descriptive Statistics)

	Variables	Public Sector Bank (Canara Bank)				
		Mean	S.D	CV	Skewness	Kurtosis
1	Easy to operate	12.85	3.80	29.58%	-0.013	-1.682
2	High Speed and accuracy	10.42	4.72	45.26%	0.027	-1.574
3	Faster transaction process	3.01	2.76	92.26%	-0.170	-1.570
4	Safety & security	7.28	2.21	30.39%	-0.289	-1.568
5	Quick responses for fails entry	1.42	1.39	97.82%	-0.858	-0.638
6	24/7 services to the customer	8.63	2.96	34.33%	-0.730	-0.988
7	Easily located ATMs	11.25	5.26	46.75%	-0.858	-0.638
		Private Sector Bank (Axis Bank)				
1	Easy to operate	13.14	5.81	44.23%	-0.512	-1.105
2	High Speed and accuracy	14.57	6.87	47.18%	-0.809	-0.745
3	Faster transaction process	2.14	3.07	14.36%	-.0477	-1.249
4	Safety & security	5.42	3.69	67.98%	-0.356	-1.421
5	Quick responses for fails entry	2.85	2.34	81.90%	-0.346	-1.397
6	24/7 services to the customer	6.84	3.45	88.96%	0.000	-1.651
7	Easily located ATMs	3.08	2.74	12.40%	-0.276	-1.547

Source: Primary Data

3. Comparative analysis of Customer satisfaction level regarding E-banking Services in public and private sector banks :

Table No.3 indicates the customer satisfaction level regarding E- banking services a comparison of public and private sector bank. The overall the mean scores are strongly agree range ($>=5.50$ in public sector bank) and ($<= 8.50$ in private sector).So Majority of the respondents has agreed with all statements pertaining to customer satisfaction level regarding E- banking services. The descriptive statistics, The highest mean of 10.87 in public sector bank and 14.50 in private sector bank its indicates compared to public sector banks, private sector bank customer are more satisfied internet banking services. As against the lowest mean is 3.37 in public sector bank customers are not satisfied with credit card and debit card facilities. In the context

of private sector bank have the lowest mean is 2.37 this results shows that customers are not satisfies with PC banking facilities. The standard deviation recorded around 4.94 to 2.76 in public sector banks and in the case of private sector banks recorded 6.56 to 2.81.It is considered all the mentioned variables related to E-banking services private sector banks customers are more satisfied compared with customers of public sector bank. The co-efficient of variance of customer satisfaction level regarding e- banking service, among mobile banking service category was lowest 25.71% and the 24.54% in public and private sector bank respectively. These indicating the lower co-efficient of variation is better. Therefore private sector bank (Axis bank) provide better E- banking customer services compared to the public sector (canara bank) in Mandya District.

Table No.3 shows the Customer satisfaction level regarding E-banking Services (Descriptive Statistics)

SI. No	Variables	Public Sector Bank (Canara Bank)				
		Mean	S.D	CV	Skewness	Kurtosis
1.	Internet banking services	10.87	4.94	45.42%	-0.356	-1.421
2.	Mobile banking services	10.75	2.76	25.71%	-0.346	-1.397
3.	PC banking services	3.87	2.79	72.23%	0.000	-1.651
4.	ATM facility	6.12	2.99	48.93%	-0.276	-1.547
5.	Credit card & debit card Facility	3.37	1.76	52.35%	-0.589	-0.862

6.	Booking of E-Ticketing	9.36	5.96	63.67%	-0.417	-1.245
7.	Electronic fund Transfer	8.94	2.98	33.33%	-0.173	-1.512
8.	Request Facility	4.82	2.76	57.26%	-2.000	3.354
	Variables	Private Sector Bank (Axis Bank)				
1.	Internet banking services	14.50	6.56	45.29%	0.027	-1.574
2.	Mobile banking services	13.50	3.85	24.54%	-0.170	-1.570
3.	PC banking services	2.37	1.50	63.36%	-0.289	-1.568
4.	ATM facility	6.25	3.69	59.08%	-0.858	-0.638
5.	Credit card & debit card Facility	3.38	2.06	61.18%	-0.730	-0.988
6.	Booking of E-Ticketing	10.62	4.83	45.48%	-0.858	-0.638
7.	Electronic fund Transfer	9.78	3.76	38.44%	-0.512	-1.105
8.	SMS/Request Facility	8.96	2.81	31.36%	-0.477	-1.249

Source: Primary Data.

From the below tables shows paired sample t-test, except ATM facility Services and Credit card & debit card Facility statements remaining the all independent variables, shows that less than p value is 0.05, therefore it is significant. The null hypothesis is rejected and alternative hypothesis is accepted. This

inference that the above mentioned various dimensions of respondents they have positively opinion about private sector banks provide good quality of services compared to the public sector banks in Mandya District.

Table No.3(a) shows the results of Paired Sample – Test

Variables		Std. Error Mean	t	Sig	95% Confidence Interval of the Difference	
					Lower	Upper
Internet banking services	Pair-I	1.4792	.623	0.000	-8.79105	-4.31695
	Pair-II	0.0213	1.631	0.000	-.37127	-.25073
Mobile banking services	Pair-I	0.03699	-6.628	0.000	-4.01700	2.17500
	Pair-II	0.05699	3.673	0.000	-4.01700	2.17500
PC banking services	Pair-I	0.23413	2.888	0.000	-.29322	-.20378
	Pair-II	0.01211	5.123	0.000	-8.79105	-4.31695
ATM facility Services	Pair-I	0.04123	3.666	0.777	-.3.7127	-.25073
	Pair-II	0.0331	2.714	0.566	-2.1113	4.2241
Credit card & debit card Facility	Pair-I	0.01214	3.142	0.000	-1.1231	2.4123
	Pair-II	0.2234	5.231	0.000	-2.1141	3.1143
Booking of E-Ticketing	Pair-I	0.2212	2.741	0.000	-3.711	2.1145
	Pair-II	0.0222	1.245	0.000	-1.2211	3.221
Electronic fund Transfer	Pair-I	0.0031	2.314	0.001	-1.221	2.445
	Pair-II	0.0214	1.455	0.000	-2.113	3.221
SMS/Request Facility	Pair-I	0.0221	2.333	0.000	1.311	1.224
	Pair-II	0.0011	2.415	0.002	1.4121	1.288

Source: Field Survey.

SUGGESTIONS FOR THE STUDY

Customers expect the bank prospect in order to know the bank procedure and effective use of communication network by the bank. Irrespective of banks, employees who interface the customers directly are ought to be very empathetic and should be able to understand the customer needs and requirements. Training the human resource in this regards would help the banks retain their customers and attract more and also programme at least 6 month once to educate the bank up dating. Addressing to the individual customer needs is one crucial aspect to be considered, as the customer would find himself as a part of the organization. This would build a good relationship

between the bank and the customer. Finally the customers prefer Electronic Banking, Mobile Banking and Internet Banking. So, the bank will apply facilities for all people as soon as possible etc.

CONCLUSION

The customers are satisfied with e-banking services provided by their banks. The e-Banking customers were interested in new technology innovation. The majority of the customers had positive attitudes towards technology. Finally the overall study concludes that, customers are partially satisfied and bankers are needed to improve their quality of e-banking services in public sector bank. The customers

of private sector banks are satisfied with e-banking services and bank employees are feasible working environment providing e-banking services compared the public sector banks. Hence this study suggests training and development is need to the banker and create awareness programmes is needed for customers to adoption e-banking in public sector and private sector banks in Mandya District.

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