



CUSTOMERS SATISFACTION TOWARDS INTERNET BANKING SERVICES (A SPECIAL STUDY ON THIRUVANNAMALAI)

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Abstract

The transformation of personal banking, from branch to present day virtual banking, changed the way of banking and now within reach of the last customer with technology adoption in a big way. The internet banking services offer services according to the customer wants and necessities. The services presented by banks are one and same, and service excellence fundamentals and their performance makes the distinction between any two banks. The customer satisfaction is important criteria for banks rations, this study analyzed 100-customers opinion on internet banking services in Tiruvannamalai city, resulted punctual response, security and Website design and ease of use are top three factors affected customer satisfaction. The customer characteristics gender, age, education, and income levels influence the customer satisfaction.

Keywords: Internet banking, Service performance, Customer Satisfaction.

Introductions

The way banks adopt technology strategy to deliver bank products and services in sequence to customers via telephone, personal computers, mobile phone refers to electronic banking or internet banking. Initially technology used as a new delivery channel as a customer service and became element of bank's productivity and using as a complementary channel of the banking system. Internet banking word applies to banking transactions that transpire via telephone, internet, mobile phone etc. Internet banking offer different benefits for customers, to view past transactions history, make payment, raise requests, account monitoring, and apply for new services, round the clock availability, with high pace and fewer charges. Technology serve banks to achieve service quality by knowing more about the customer to customize products and services that can earn more revenues, acquire more customers and customer retention. The usage of internet banking empowers customers, many more people are becoming techno services and using internet banking and playing essential role in nonstop economic growth and development of the country.

Internet banking requirements more customer involvement in terms of latest and updates technology features on his electronic tool and sufficient internet speed. Research studies and reports focused on banker's point of view and customer point of view. Customers necessitate certain level of comfort using bank website in terms of security and privacy to carry out securely. Customer satisfaction with internet banking services had significant importance in terms of consumer behaviors and efficiency of banks. It is very important to identify what drives the customer satisfaction that helps to understand customer better and make changes to deliver service in a better way. The study main objective is to study customer satisfaction on internet banking services.

Objectives of The Research

1. To evaluate the alertness of E-Banking among the customers.
2. To determine the customer satisfaction in E-Banking services.
3. To study the most favorite E-Banking service offered by bankers.
4. To know which age group of customers is using different e-banking facilities.
5. To know the reason why customers are not using internet banking.

Limitation of The Study

1. Some respondents were undecided to give true responses.
2. The data was composed within 1 month time period.
3. The inferences apply only to the respondents of Tiruvannamalai City and are not applicable to any other place and cannot be generalized.

Research Methodology

This research follows the survey research methodology based on previous research in related area a questionnaire was constructed to learn the customer preference towards e-banking services of banks. After pilot testing the questionnaire was



administered to 100 persons who have account in the city. Here we take minimum age as 18 years. The data was obtained through the use of structured questionnaire and convenience sampling.

Review Literature

Abou-Robich, Moutaz (2005) studied how to analyse comfort levels and attitude of users towards online banking facilities. The findings resulted that there is a correlation between attitude towards e-banking and feeling of security with regard to their demographic variables.

Isern, Jennifer (2008) pointed out that a positive relationship between the level of financial infrastructure and the level of competition and a negative relationship between the degree of state ownership in a banking sector and the level of competition.

Reynolds, John (2007) said that 2006 e-banking technology services industry customer loyalty survey data results in order to improve marketing resource allocation for corporate e-banking products and services.

Huang, Haibo (2005) reveals that the successful introduction electronic money and e-banking services depends mainly on people acceptance. The major finding is that although e-banking customers more or less have some common characteristics, they differ across different types of e-banking services.

Taft, Jeanette (2007) pointed out that Technology Acceptance Model (TAM) as applied to a specific type of technology: e-banking. They suggested that e-banking – prior training, perceived ease of use of e-banking technology.

Jeon, Kiyong (2014) have said that consumer prefer larger banks in U.S. Because they has to reduce their transportation cost by way of larger banks have multiple ATM centre's across the country.

Lee, Jihyun (2003) examined that to identify whether customer intention affecting to use online financial services. The effects of attitude toward behaviour, subjective norm were examined. Demographic variables were included as control variables.

Ding, Xin (2007) reveals that consider for research consumer behaviour on internet in the last years. The findings conclude that customer behaviour from self-service, Service quality and experience design perspectives.

Wamalwa, Tom (2006) said that whether internet banking strategies were aligned with the bank's core business based or not identified.

Featherman, Mauricio Sanchez (2002) studied that perceived risk inhibited consumer adoption intentions as well as perception of the usability, usefulness of online payment.

Bayles, Michelle Esther (2004) have said that investigating factor contribute their decision to bank online, frequency of banking activities.

Massad, Nelson (2003) contributed at a theoretical level by providing deeper understanding of the transactions between customers and service providers.

Yee Yen, Yuen (2011) have said that comparison between factors affecting consumer acceptance of internet banking services between developed and developing countries.

Siregar, Dona D (2004) investigate that the relative importance of different factors influences bank decision on going public over consolidating with other banking organisations. Many banks experienced consolidation through merger acquisitions (M&A).

Data Analysis & Interpretation

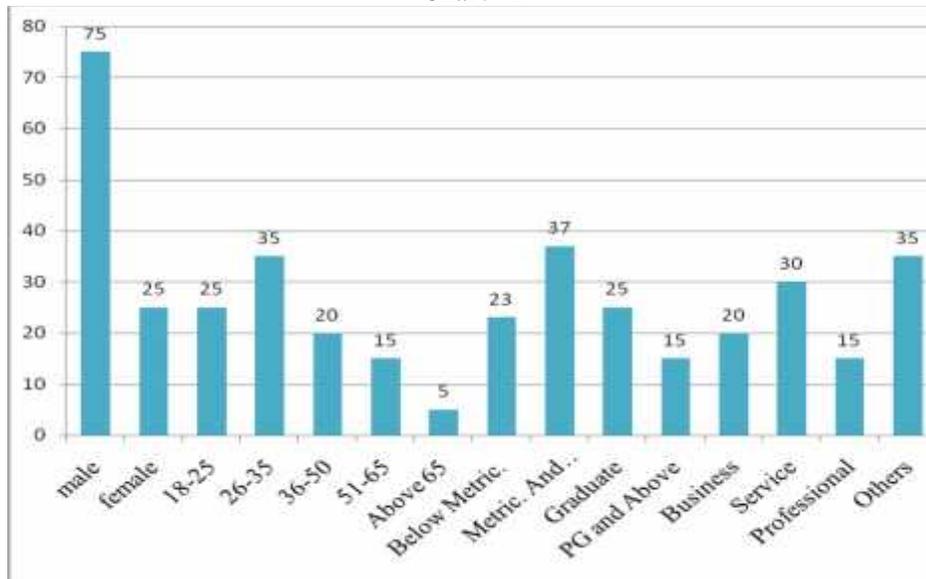
In the present scenario preference among customer for e-banking services of banks is differ from one person to other person, so to understand preference of different customer the researcher have used various element such as usage of e-banking service most preferred service, convenience, security, accessibility, satisfaction level of customer using internet banking.

Table 1, Frequency Analysis of Demographic Variables

Variables	Category	Frequency	Percentage frequency
Gender	male	75	75
	female	25	25
Age	18-25	25	25
	26-35	35	35
	36-50	20	20
	51-65	15	15
	Above 65	5	5
Educational Qualifications	Below Metric.	23	23
	Metric. And Senior Secondary	37	37
	Graduate	25	25
	PG and Above	15	15
Occupation	Business	20	20
	Service	30	30
	Professional	15	15
	Others	35	35

Source: Primary data

Chart - 1



Above table 1- shows that most of the respondents are men (75%), they are using e-banking service in research area as compared to women in the city. On a Percentage basis, 26-35 age group falls on 35%, similarly 18-25 age group falls on the same percentage. 37% of respondents qualification is Metric. And Senior Secondary. Out of 100 respondents, 35% of them are others and as well as service and remaining fall under other category.

Findings, Recommendations & Conclusion

It is found from this study that younger generation were using electronic banking services are more as compared to older age group because of new modernism in information technology and their espousal level is high in e-banking. Above 60 age group category were using e-banking services are less than others. Risk is one of the factor customer were believe while opening an internet bank account. They didn't feel secure in the internet banking. The respondents favorite ATM, Online banking, Mobile banking, Sms banking for their monetary transactions. From customer point of view that private bank provide better services as compared to public banks, But for secured operation public banks will be preferred by the majority of the respondents.



On the basis of data analysis and interpretations, the following suggestions can be made, to increase awareness among people; Bank should advertise and conduct special awareness programs to make E-Banking services more popular among customers. Bank should increase ATM centres nearby customer place like cinema theatres, markets etc. Most of the respondents like E-banking services provided by Bank. But they hesitate to use because they don't know how to use it in correct manner. Bank should try to give proper training or other solution to solve this problem and it should try to get better their service level to face the rigid competition given by other commercial banks.

E-banking technology is highly useful to customers as well as banks and other organizations like government organizations. To increase productivity, efficiency, service quality of banks, expansion of banks internationally e-banking is major important of all commercial banks to adopt in their countries as well as their customers. Bank should try to maintain proper system of maintenance for internet banking. The study focused on select public sector banks and customer opinion from one region which have common public background resulted that the rapid response, confidentiality, web site design and ease of use factors that affect customer satisfaction. Customer's gender, age, education, and income levels influence the customer satisfaction.

The usage of up to date information and technologies for customer communication improve the customer satisfaction. The study is partial to exploring customer satisfaction on internet banking services provided by banks and effect of demographics on satisfaction. Future studies can focus on mobile banking, telephone banking, support services provided by banks and include private banks for exploration.

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