

CUSTOMER SATISFACTION TOWARDS E-BANKING

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Abstract

E-Banking refers to electronic banking which brought revolution in banking sector. The use of technology in banking sector helped the customers a lot as the customers can avail various banking services through internet. The customers need not to visit the banks physically for availing the services and it has saved the time, cost and energy of the customers. This research is done to identify the possible most influential component of E-Banking service quality in terms of customer satisfaction by analyzing the correlation between these two variables.

Any company worth its salt knows how important it is to hear from its clients and other interested parties. Previous research has shown that a company's ability to generate and maintain consistent customer satisfaction and adaptability is directly related to its long-term success. The firm has to take the right steps to create and improve its processes and practices if it wants to keep its consumers happy. When it comes to predicting a company's financial capacity, customer happiness is a methodology that may help you get substantial, consistent, and effective outcomes. It is crucial to meticulously compile this study on client satisfaction with E-banking. There has to be a dependable, appropriate, exact, and consistent procedure for determining client satisfaction.

Keyword: E-Banking, Customer Satisfaction, Banking Sector, Technology.

1. INTRODUCTION

Online, cyber, or virtual banking is a kind of electronic banking that allows clients to access their accounts and conduct a variety of financial activities from any location with an internet connection, at any time. The electronic transfer of funds for the purchase and sale of products and services made possible by electronic banking. Any financial transaction may be completed by the consumer with the simple click of a mouse. Advantages of an electronic banking system include better customer service, more client interest, greater customer happiness, and the introduction of new goods and services (e-banking, the transition from paper money to digital and electronic money). E-banking enables cashless banking services such as ATMs, mobile banking, phone banking, internet banking, EFT, debit and credit cards, NEFT, and RTGS.

The study aims to answer the following questions:

- Are people fully aware about e-banking and its features?
- Can less educated people fully operate e-banking facilities?
- Does the introduction of e-banking have decreased the number of customers physically visiting the bank?
- Which age group of people is mostly using e-banking facilities?
- How many customers are satisfied by this facility and has this facility made the interaction of customers with bank easier and faster?

Literature review

Before being extensively employed in any other industrialized or developing nation, the introduction of the first “Automated Teller Machine (ATM)” in Finland marked the beginning of an e-banking channel, making Finland the leading country in E-Banking (H. Sharma, 2011). Due to fast advancements in IT and rivalry among banks, E-Banking, which refers to the delivery of financial services via electronic systems, has lately expanded among clients (Mahdi, Rezaul, & Rahman, 2010). E-Banking services are defined by Lustsik (2004) as a range of electronic channels for conducting financial transactions via computer, mobile phone, television, and the Internet. As technology continues to evolve and develop, the demands and expectations of banking consumers regarding service are growing. Customers nowadays demand to be able to perform all of their banking online, whenever they want (rather than being restricted to bank business hours), and with no effort and expense, regardless of where they happen to be or what they're buying. Therefore, in order to meet these demands, high-quality financial services used to be defined by autonomy, adaptability, freedom, and flexibility (Khalfan & Alshawaf, 2004).

Online and mobile banking remain the primary channels for electronic banking in Lebanon. One reason for this is the country's sluggish progress in developing its IT infrastructure. For the sake of clarity, we will define the idea as the capacity to engage in monetary and banking activities electronically via the use of Internet or mobile phone apps.

Happiness for the client. When it comes to modern marketing theory, one of the most crucial ideas is customer happiness (Jamal, 2004). In a nutshell, it connects the dots between the buying experience and things that happen after the sale, such altered attitudes, more purchases, and brand loyalty (Churchill & Surprenant, 1982). Oliver (1980) states that when consumers compare their expectations with how a product or service really performs, a sense of contentment is induced.

In an effort to define customer pleasure more precisely, a variety of competing definitions have been advanced. It seems that most definitions share the idea of comparing the performance of a product or service after it has been delivered with the expectations that were previously set. According to Oliver (1981), a consumer's subjective evaluation of a service or product after using it is known as satisfaction. Tse and Wilton (1988) also used the term “CUSTOMER response to the evaluation of the perceived

difference between expectations and final result after consumption” to describe customer satisfaction” (p. 204).

One definition of customer satisfaction is the result of comparing the actual quality of a service or product after purchase to the expectations held throughout the research and selection process (Kotler & Keller, 2011). On the other hand, some scholars have found that the impact felt throughout the product's purchase and consumption phase could significantly influence the customer's perceptions of satisfaction (Homburg, Koschate, & Hoyer, 2006). Customer satisfaction may be defined as the degree to which a product or service meets or falls short of the expectations of the consumer (Keller & Lehmann, 2006). In line with these explanations, and for the purposes of this research, customer satisfaction is the client's attitude toward any kind of E-Banking service. Customer satisfaction may rise, fall, or remain unchanged as a result of E-Banking features.

Objectives of the study

- To find out are people fully aware about e-banking and its features
- To find out can less educated people fully operate e-banking facility
- To find that whether introduction of e-banking has decreased the number of customers physically visiting to bank or not
- To know which age group of people is mostly using e-banking facility
- To find out how many customers are satisfied by this facility and has the facility made the interaction of customers with bank easier and faster or not

Research methodology

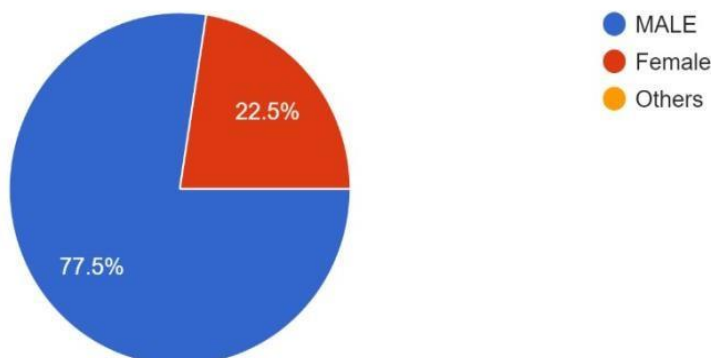
This research is based on survey methodology. A questionnaire was constructed and distributed among the respondents to know their perspective on e-banking and associated features.

Data Analysis

After circulating the Google form with the questionnaire, I received the responses and based on that I can say that most of the respondents are using e-banking services and what do they prefer whether offline or online services and what is the age group of people who are mostly using e-banking in this context a total 151 respondents have responded to the Google form. The responses are given below with the graphical representation:

Gender of the respondents

Your gender
151 responses



This part of graph shows the graphical representation of the respondent's gender and it is my first question because I wanted all the gender to take equal part in this research as we are living in the era where all the genders are equal and it is important to know the view of all the groups. The response was as follows:

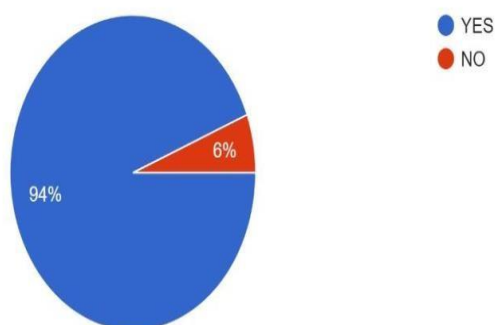
MALE-77.5%

FEMALE-22.5%

How many respondents are using e-banking facilities

Do you use e-banking facility?

150 responses



The second question in my Google form was to my respondents do they use the e-banking facility and according to me it was the most important question of the research because satisfaction question depends upon how many people are availing this e-banking facility and I was not shocked that COVID-19 era had made change in people's life and the way of banking and the result that I got are as follows:

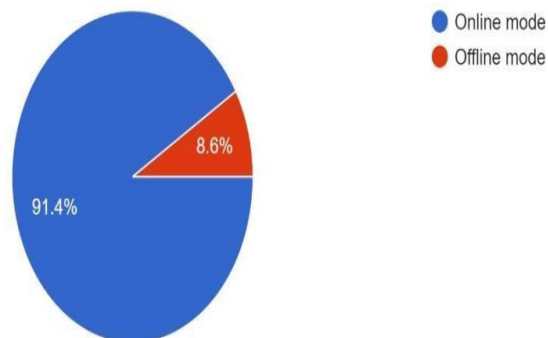
94% of my respondents are using e-banking facility

6% people are either not aware or they prefer the offline mode

Which type of banking facility the people prefer

Do you prefer banking facility in

151 responses



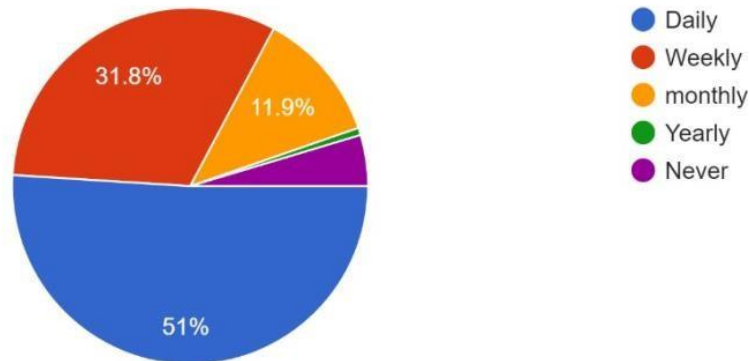
Now the third important question was that which mode they prefer online mode or offline mode and this was my approach toward knowing whether people have accepted the e-banking facility or not because satisfaction is very closely related to the acceptance and my objective was to know which mode they prefer the most and the response is as follows:

ONLINEMODE-91.4% OFFLINEMODE-8.6%

This shows that majority of my respondents prefer online mode of banking

How frequently do you use the e-banking facility?

151 responses



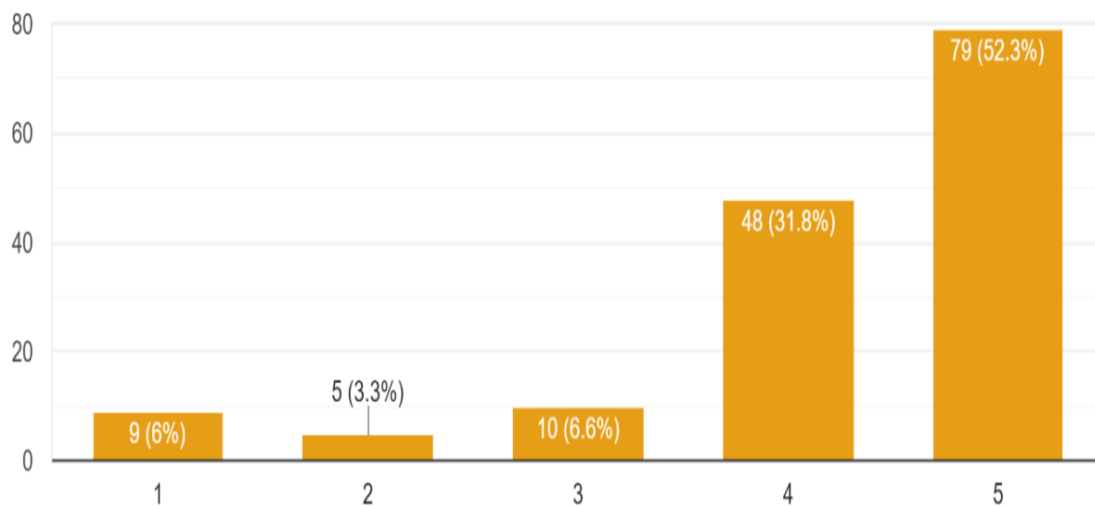
Now my next objective was to know how frequently are people using e-banking facility how much this facility has influenced them, was e-banking becoming part of their life are my respondents regularly, weekly, monthly or fortnightly using this facility and the answer I got was as follows:

DAILY-51% WEEKLY-31.8% MONTHLY-11.9%

So, more than half of my respondents are using this facility on daily basis which is pretty high percentage which shows the people are becoming friendly to the e-banking facility.

How important is availability of mobile banking services to you.?

151 responses



My next question to my respondents was to rate on a scale of 1-5, that how much this facility is important to them and does availability of the mobile banking facility have some importance in their daily course of life so the response I got are as follows:

3-6.6%

4-31.8%

5- 52.3%

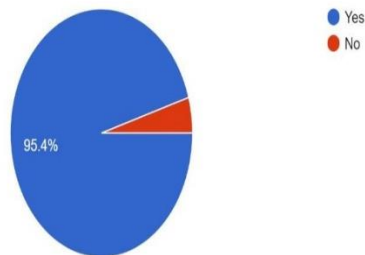
1-6%

2-3.3%

So, 79 respondents (52.3%) have given rating of 5 out of 5 to mobile banking facility and it serves as evidence that mobile banking has become the part of the daily course of life of the respondents and they like this facility.

Do you feel e-banking services have made your banking experience more convenient.

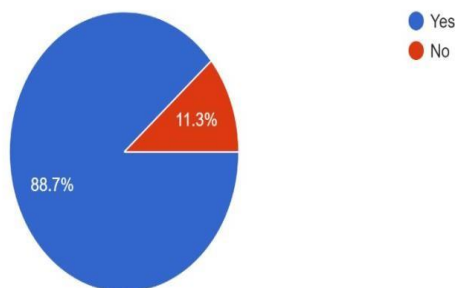
151 responses



So, this question was put up to know that do my respondents feel that e-banking has made their banking transactions easier and it is directly connected to the topic customer satisfaction towards e-banking so the answer I got was satisfactory as 95.4 percent of my respondents feel that e-banking has made their banking transaction easier and convenient.

Do you prefer e-banking over traditional banking

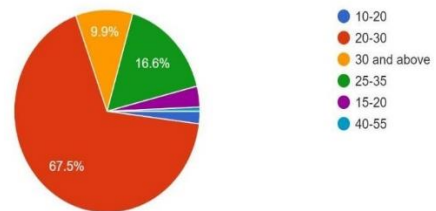
151 responses



So, from the graphical presentation we can easily understand that 88.7 percent of my respondents prefer e-banking as compared to the traditional banking and this is a proof that people prefer online facility more over the offline facility as only 11.3 percent of people preferred traditional facility over e-banking online facility.

Which age group of people avail the e-banking facility more?

151 responses



Now my other objective was to find which age group of people is mostly availing e-banking facility and that's why I put up this question in my Google form and the response I got was as follows:

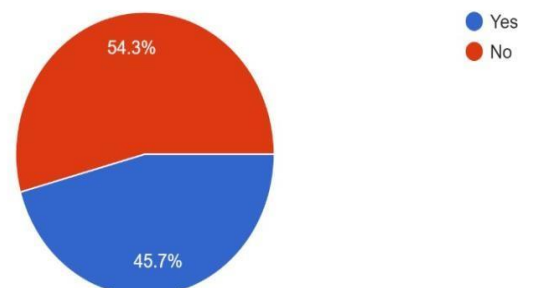
Age group 20-30: 67.5%

Age group 30 and above: 9.9% Age group 40-55: 12%

From this data we get that mostly the people of age group between 20-30 are using e-banking facility.

Are people fully aware about e-banking and its features?

151 responses

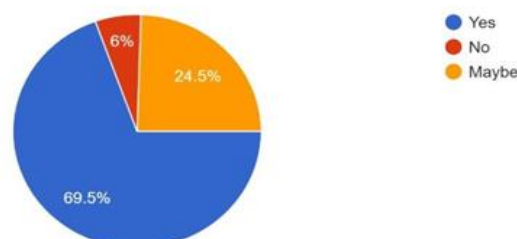


Well here the data clearly states that about half of my respondents are fully aware about e-banking facility but the major concern is that even in the technology-driven era more than half of them are not fully aware of e-banking facility.

YES-45.7% NO-54.3%

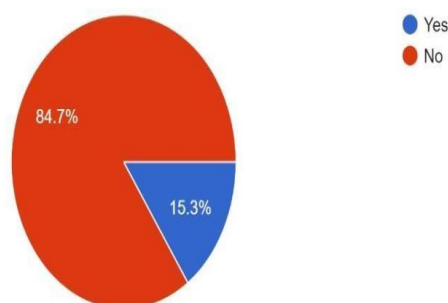
Does the introduction of e-banking have decreased the number of customers physically visiting to branch?

151 responses



So, the graphical representation shows that 69.5% of respondents agree that yes introduction of e- banking has led to decrease in the number of customers physically visiting the branch and 24.5 percent says that they are not sure so they have opted the may be option.

Have you ever encountered fraudulent activity on your e-banking account?
150 responses



So from this graphical representation to my question , I can see that most of my respondents have never faced any fraudulent activity and the number goes up to 84.7% of people never faced any fraudulent activity while using e-banking facility but there are 15.3 percent people who have faced it, so from this scenario I can say that still e-banking is in developing phase and there are certain number of people who are facing this fraudulent issue and satisfaction can only be achieved when this problem is sort- out.

Conclusion

This study was aimed towards knowing the customer satisfaction towards e- banking facility and for this part I had created the Google form to know the answer to my question and in my findings I really got that people are using this facility and it is forming part of their daily course of action and through this questionnaire I was able to find answer to my question. In my conclusion I would like to state that still this facility needs to grow more and it is a very important process towards converting the offline market into online mode and with the due course of time it will affect the number of people who were visiting the branch as everything is available over internet. So, in my opinion I would like to conclude that through the responses of my questionnaire it is pretty much clear that customer satisfaction towards e-banking is an ongoing process and it will take time to fully understand the e-banking and the facility it provides.

Recommendations

While doing this research my main objective was to know that whether people are satisfied with e-banking or not. I got a fair idea that e-banking is playing a very crucial role in transforming the offline banking or traditional banking to the online platform and COVID- 19 era has triggered this process. Still, I found out that there are areas where the banking sector needs to stress upon in order to provide e-banking services more effectively and efficiently. Following are my recommendations:

- Need to strengthen the use of e-banking services in rural areas
- Need to have a hawk-eye on the fraudulent activities in the e-banking services\
- Need to win the trust of old age group of people in e-banking services
- Need to pay more attention on cyber security

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