

# A Study on Customer Satisfaction Towards Electronic Banking Services and Products Offered by Nationalised Banks in Madurai City

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## Abstract

*Electronic gadgets in the present day provide a wide range of services to customers' doorsteps. Entrepreneurs and small merchants can benefit from electronic banking services. The primary goal of this research is to determine the degree of satisfaction with electronic banking services provided by nationalised banks in Madurai, as well as the variables that influence the use of electronic services and products. The data for the study was acquired through surveys and document analysis. To achieve the goal, a combination of sampling procedures was utilised, with a sample size of (n=135) and data gathered using a structured questionnaire. To generate statistical inference, open source software was employed.*

**Keywords:** E-banking Services, Products, Customer Aatisfaction, Level of Satisfaction, Nationalized Banks.

## Introduction

In this customer-centric service environment, delighting consumers is a crucial aim of the business; it is a critical challenge for a service provider to preserve customers' preferences because the service provider cannot truly comprehend what the customer desires. Electronic banking is a competitive tool for attracting new customers as well as increasing client number and service acceptability. The purpose of this study was to determine the degree of satisfaction with electronic banking services and products provided by nationalised banks in Madurai.

## Statement of the Problem

Banks implemented e-banking to improve service delivery, decongest banking hall queues, enable customers to withdraw cash 24 hours a day, aid international payment and remittance, track personal banking transactions, request an online statement, or even transfer the deposit to a third-party account. Despite banks' efforts to ensure that customers reap the benefits of e-banking, the bank is met with customer complaints about malfunctioning Automated Teller Machines (ATMs), frequently down network connections, online theft and fraud, non-availability of financial services, payment of the hidden cost of electronic banking such as SMS for sending alerts, mandatory acquisition of ATM cards, and non-acceptability of payment cards. Therefore, this study is aimed at finding out the level of satisfaction towards electronic banking services and products.

## Objective of the Study

- To analyse the customer's level of satisfaction towards e banking products and related services
- To identify factors that affects usage of electronic banking service products.
- To compare the socio-economic profile and the level of satisfaction towards electronic banking products.

## Methodology

The survey method was used to implement the descriptive study design. This study drew on both secondary and primary data sources. Six banks' customers from Madurai city were utilised in the sample, and four banks' customers from Madurai were chosen in proportion to the total number of banks from the cities. The survey included public sector institutions such as State Bank of India, Bank of India, Indian Bank, and Indian Overseas Bank.

## Hypothesis

- There is no Significant relationship between socio economic profile of the sample respondents and the factors that affects usage of electronic banking services and products.
- There is no Significant relationship between socio economic profile of the sample respondents and customer's level of satisfaction towards e banking products and related services

**Table 1 Socio Economic Profile**

Socio Economic Profile	Frequency	Percentage (%)
<b>Age</b>		
Below 20	78	57.8
21-40	33	24.4
40 Above	24	17.8
	135	100
<b>Gender</b>		
Female	81	60
Male	54	40
	135	100
<b>Qualification</b>		
School Level	18	13.3
UG Level	30	22.2
PG	36	26.7

Diploma Level	51	37.8
Employment Status		
Self Employed	30	22.2
Salaried	51	37.8
Student/House Wife	18	13.3
Retired	36	26.7
<b>Income</b>		
Below Rs 10,000	42	31.1
Rs 10,001 to 20,000	45	33.3
Rs 20,001 to 30,000	24	17.8
Above Rs 30,000	18	13.3

Table 1 indicates that majority of them are below age 20, majority of the sample respondents are female, majority of the sample respondents are with the educational qualification of diploma level, majority of the earnings between Rs.10,001 to 20,000.

**Table 2 Factor that Affecting Usage of E-Banking Service Products**

	Mean	S.D.	Rank
Service charge	4.063	1.51	1
Service guidance	4.054	0.97	2
Failure of services	3.777	0.92	3
Maintainence of ATM and server	3.859	0.84	4
Poor response from customer care	3.451	0.87	5

It is observed that highest mean score secured by services charges, second highest mean score secured by service guidance and it is concluded that service charges and the service guidance is a factor which affects usage of electronic banking service products.

**Table 3 Factor that Affects Usage of Electronic Banking Service Products - One Way Anova**

Socio Economic Profile		F	SIG.	Result
Age	Factor that affects usage of electronic banking service products	1.086	.375	Not significant
Gender		1.159	.309	Not significant
Qualification		1.305	0.201	Not significant
Employment status		1.251	0.237	Not significant
Salary		0.976	0.490	Not significant

It is observed that there is no significant relationship between socio economic profile of the sample respondent and the factor that affects usage of electronic banking service products. Since the level of significance is more than 0.05 null hypothesis accepted.

**Table 4 Customer's Level of Satisfaction towards E Banking Products**

Socio Economic Profile		F	SIG.	Result
Age	Customer's level of satisfaction towards e banking products	1.809	0.073	Not significant
Gender		1.505	0.153	Not significant
Qualification		1.847	0.066	Not significant
Employment status		2.334	0.018	significant
Salary		0.632	0.768	Not significant

It is observed that there is no significant relationship between socio economic profile of the sample respondents and the customer's level of satisfaction towards e banking products. Since the level of significance is more than 0.05 null

hypothesis accepted except employment status and it is concluded that employment status of the sample respondent has significant relationship with satisfaction level since level of significance is less than 0.05 null hypothesis accepted.

### Findings

- Majority of them are below age 20.
- Majority of the sample respondents are female.
- Majority of the sample respondents are with the educational qualification of diploma level.
- Majority of the earnings between 10,001 to 20,000.
- Highest mean score secured by services charges, second highest mean score secured by service guidance and it is concluded that service charges and the service guidance is a factor which affects usage of electronic banking service products.
- Highest mean score secured by e banking services are efficient during emergency situations, second highest mean score secured by the variable e banking services are convenient and user friendly.
- There is no significant relationship between socio economic profile of the sample respondent and the factor that affects usage of electronic banking service products. Since the level of significance is more than 0.05 null hypothesis accepted.
- There is no significant relationship between socio economic profile of the sample respondents and the customer's level of satisfaction towards e banking products. Since the level of significance is more than 0.05 null hypothesis accepted except employment status and it is concluded that employment status of the sample respondent has significant relationship with satisfaction level since level of significance is less than 0.05 null hypothesis accepted.

### Conclusion

Electronic banking services are effective in an emergency scenario, although e-banking services provided by public sector banks are effective and highly satisfied; the only issue influencing the use of e-banking service items is that they are more expensive. E-banking services are user-friendly, and work status has a major influence on job satisfaction level change. There is no significant association

between the sample respondent's socioeconomic profile and the component that influences the use of electronic banking service items. E-banking is becoming more popular by the day, and public sector banks will have a high degree of satisfaction if they make ebanking services visible and less cash-based transactions expand dramatically in the next years.

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