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A Study on Customers' Satisfaction with E-Banking Services with Special Reference to the Madurai District Central Cooperative Bank LTD

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Abstract

The banker you want to supplement should rely more on efficient services and coordinate relationships with clients. The only factor that differentiates the service of one bank from the other is "customer satisfaction" related to the services provided by the bank. This is the most important factor that influences the choice of the bank. The success of banks basically depends on customer satisfaction in relation to new technological services provided by banks. The banking industry is driven mainly by customers, and their survival in a competitive environment depends largely on new technological services provided by them. Technology plays a fundamental role in improving the quality of services provided by banking sectors. One of the technologies that really brought information to the revolution in society is internet technology and, for good reason, is considered the third wave of resolution after the agricultural and industrial revolution. The emergence and adoption of the Internet by the banking sector has eliminated the limitation of time, distance and communication, making the world a real village. Internet banking from anywhere, at any time and used for transactions, payments, etc. On the Internet via a bank, cash register or secure company website. Therefore, basically in online banking, the customer has a one-to-one interaction with the bank's parties, in which case it is important for the bank to provide high quality services on the Internet. Therefore, unlike the traditional banking sector, online banking involves interpersonal interaction between clients and the online banking system.

Keywords: Internet Banking, Customer Satisfaction.

Introduction

Banking sector is the backbone of any financial system and economy. Cooperative banks play an important role in the development of underdeveloped and developing economies by mobilization of resources and their better allocation. The Cooperative banking system is regulated by the Central bank of country i.e. Reserve Bank of India (RBI), which was nationalized in 1949. Cooperatives Banks are registered under the Cooperative Societies

Act, 1912. These are regulated by the Reserve Bank of India and National Bank for Agriculture and Rural Development (NABARD) under the Banking Regulation Act, 1949 and Banking Laws (Application to Cooperative Societies) Act, 1965.

This social transformation process resulted in unprecedented expansion of banking and financial system. However, the regulated business environment, poor quality of credit portfolio due to social lending without adequate safeguards against defaults, thin margins on social lending, disruptive tactics of trade unions, increasing number of loss making branches due to unmindful branch expansion in rural areas and other factors resulted in sacrifice of the service quality and the operational productivity and profitability of these organizations. The banks still managed to survive due to the regulated business environment which killed the scope for competition among banks.

Internet banking is the wave of the future. It provides enormous benefits in term of ease and cost of transactions, either through internet telephone or other electronic delivery channels. It is considered to be the segments of e-business to the extent that banks are involved in the conduct of business transactions via electronic media.

Statement of the Problem

There is general consensus that the quality of service presently rendered by banks capable of vast improvement. In fact, public expectations have been constantly increasing and with the growing public awareness, the need for the banks to focus more on the quality of the services rendered by them are given are concentrated and more importance is given. There are some serious problems that may encounter while banking through the internet, due to which many still prefer to go directly to banks instead of availing this facility.

Objectives of the Study

- To examine the impact of trust on customer satisfaction in internet banking services.
- To find the increasing significance of internet banking.
- Ascertain the level of customer's satisfaction in internet banking.
- To evaluate the factors influenced by the customers while choosing the internet banking services.

Limitations

- A. Safety situations around ATMs.
- B. Abuse of bank cards by fraudsters at ATMs.
- C. Danger of giving your card number when buying online.

Hypotheses

The following hypotheses were framed by the researcher:

1. There is no significant relationship between gender of the customer and the level of significance towards internet banking in Cooperative bank.
2. There is no significant relationship between age of the customers and the level of satisfaction towards internet banking in Cooperative bank.
3. There is no significant relationship between monthly income of the customers and level of satisfaction towards internet banking in Cooperative bank.
4. There is no significant relationship between occupation of the customers and level of satisfaction towards internet banking in Cooperative bank.
5. There is no significant relationship between qualification of the customers and level of satisfaction towards internet banking in Cooperative bank.

Data Analysis and Interpretations**Table 1.1 Profile of the Respondents**

Particular	Category	Frequency	Percent
Gender	Male	52	52
	female	48	48
Age	Category	Frequency	Percent
	Below -25	10	10
	26-35	25	25
	36-45	20	20
	46-55	35	35
	Above - 56	10	10
	Qualification	Category	Frequency
Illustrate		40	40
Up to HSC		25	25
Graduate and post graduate		35	35
profession		0	0
Occupation	Category	Frequency	Percent
	Farmer	40	40
	Wage-earner	40	40
	Private employee	15	15
	businessman	5	5
Income Level	Category	Frequency	Percent
	Upto-10,000	18	18
	10,000-25000	40	40
	25,000-40,000	20	20
	Above 40,000	22	22
Family Size	Category	Frequency	Percent
	Nuclear family	30	60
	Joint family	20	40
Total		100	100

Source: primary data

Above table 1.1 shows that majority of the respondents 52 percent are male, in gender wise distribution of respondents. Maximum of 35 percent of the respondents fall in the category of above 46-55 years of age group. The majority of 40 percent of the respondents are Illiterate and maximum of 40 percent of the respondents are farmers. Monthly Income of the respondents is a factor which directly affects the cash and Digital payment which they made. It is found that a maximum of 40 percent of the respondents are in the income group of Rs.10, 000-25,000. The majority of 60 percent of the respondents are nuclear family.

Demographic Variables and Customer Satisfaction in Online banking service

The relationship between individual demographic individual demographic variables and customer satisfaction level on online banking service is presented in Table 2

Null Hypothesis

There is no relationship between demographic variables of the respondents and their satisfaction of online banking service performance.

Table 2 Chi-square test result –demographic variables and customer satisfaction

Demographic variables	Chi square test	DF	Table Value	REMARK
Gender and satisfaction	value	1	9.49	Accepted
Age and satisfaction	5.010	1	3.841	Accepted
Income and satisfaction	1.111	1	3.841	Accepted
Occupation and satisfaction	2.231	1	3.841	Accepted
Qualification and satisfaction	1.111	1	9.49	Accepted
Qualification and satisfaction	6.127	1	9.49	Accepted

***Significant 5%level**

As per Table 2 there is significant relationship among the demographic variables, gender and customer satisfaction. However there is significant relationship among age, income, occupation, qualification and satisfaction.

Findings

1. Regarding the gender wise classification, 52 percent of the respondent's are male and 48 percent of the respondents are female. So the majority of the respondents are male.
2. The study reveals that Cooperative bank has 35 percent large numbers of respondents in 46-55 age groups.
3. Majority of the respondents at 40 percent in this study belongs to the income level of Rs.10-25000.
4. Most of the respondents at 40 percent in the study are farmers.

Suggestion

1. Banks must ensure to their customers that their service is competitive. Thus the banks are suggested that though internet banking is useful it will improve only if security concept is concerned more. Thus banks must concentrate further on security and withhold their customers and improve them more.
2. Banks may decrease additional charges while using internet banking. So it can be conceded that 'Information Technology' is not the end in itself, but is useful tool in the hands of the banking industry to leverage business prospects in its favor and enhance efficiency. Also they should ensure the customers that the functionality is easy to find and use.
3. Banks should organize seminars/workshops/talks on the healthy usage of online banking, especially for those who are ATM or computer illiterates.

Conclusions

The segment of Online Banking services in a developing country like India is on an all-time high. The investors, normal customers and entrepreneurs are all enjoying present state of the Indian economy at its optimum best. This is mainly because of the online services ever since they were launched by the Cooperative banks and financial institutions. With the Online Banking services, a banking customer can issue an e-draft, make balance inquiry, order and even download account statement and even transfer funds on the same working day. These are made possible with these services and now the customer does not require being physically present to execute his banking

tasks.

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