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ABSTRACT

This study aims to evaluate the level of usage and awareness of digital banking services and facilities among customers in India and examine the impact of these services on customer satisfaction. This study used a well-structured questionnaire to collect data from Canara Bank, The Federal Bank Ltd., and HDFC Bank customers. The data collected from 200 respondents were analyzed to gain insights into their experiences with digital banking services. This study found that customers of different banks have varying levels of satisfaction with other factors, such as their account type and expertise with digital banking services. Several factors influence customer satisfaction, including prompt handling of calls, courteous and professional manner, and ease of use and navigation. This study provides valuable insights into customer satisfaction with digital banking services in India. It can help banks improve their services to meet their customers' needs and expectations.

Keywords: digital banking, customer satisfaction, facilities offered

1.1 Introduction

After India's independence, one of the government's central tasks was to focus on the country's economic development. In the 1990s, several developments led to significant changes in the structure of banking products. The digital economy is increasing, and all parts of the economy, including commerce, financing, and logistics, require next-generation solutions. The banking industry in India plays a significant role in the country's development. Banks in India are transitioning from conventional banking to digital banking. Digital banking involves high service levels through a digital platform, eliminating paperwork such as cheques, pay-in slips, and demand drafts. This means that all banking activities are available online. The Indian banking sector is moving towards digitalized banking. This research aims to evaluate customers' usage and awareness of digital banking services and facilities and examine the impact of these services on customer satisfaction.

1.2 Review of Literature

Several studies have been conducted on customer satisfaction with digital banking services.

Sathiskumar & Rajaraman (2021) surveyed 300 respondents in Coimbatore city and found that the majority were happy with the performance of ICICI bank's ATMs. Still, many were not satisfied with the bank's grievance settlement system.

Drigă & Isac (2014) surveyed 300 people and found that 65% were aware of e-banking services. The study, titled "E-banking services – features, challenges and Benefits," provides an overview of electronic banking services and highlights aspects of e-banking. The authors note that although e-banking offers many advantages to corporate and individual clients, it is not without certain challenges and issues regarding security and customer interest.

Tandon et al. (2016) studied the responses of 450 consumers in the Delhi/NCR regions using a 5-point Likert Scale. They found that e-banking is the preferred delivery channel for banks and is gaining widespread acceptance among consumers.

Dhanya (2021) conducted a study to identify the factors influencing consumers' adoption of Internet banking services in Chennai. The study also aimed to examine the relationship between the adoption of these services and the demographic characteristics of consumers. This research provides valuable insights into the factors that drive consumer adoption of Internet banking services and can help banks improve their services to meet their customers' needs and expectations. The study found

that customers are ready to adopt Internet banking as it provides value and benefits and saves time and effort.

Rajput (2015) studied customer satisfaction with online banking services and their impact on banks. The study found that customers are adopting e-banking services such as ATMs, home banking, and payment cards, with around 45% of people having a positive perception and being satisfied with e-banking. The most frequently used e-banking services were ATMs, bill payments, and obtaining bank statements.

1.3 Objectives

1. This research aims to evaluate the usage and awareness of digital banking services and facilities among customers.
2. To examine the factors influencing digital banking services and their impact on customer satisfaction.

This involves assessing the digital banking services and facilities offered by banks and their effectiveness in meeting the needs and expectations of customers. By understanding customers' experiences with digital banking, banks can improve their services and enhance customer satisfaction.

1.4 Source and Methodology

This study used both primary and secondary sources to collect data. Primary data were gathered through an online and offline survey using a structured questionnaire. Secondary data were obtained from articles, magazines, journals, the internet, and research websites. This approach allowed for a comprehensive topic analysis by combining firsthand information from survey respondents with existing research and literature on the subject.

1.5 Analysis and Interpretation

This study was conducted using a well-structured questionnaire to collect data from customers of Canara Bank, The Federal Bank Ltd., and HDFC Bank. The questionnaire was distributed online and offline to 100 customers of Canara Bank, 50 of The Federal Bank Ltd., and 50 of HDFC Bank. The data collected from these 200 respondents were then analyzed to gain insights into their experiences with digital banking services.

Table 1 Nature of Account of the Customers (Multiple Accounts)

Bank	Canara Bank	The Federal bank	HDFC bank
Type of Account			
Savings a/c	30	3	14
Savings and Current a/c	14	18	7
Savings and Loan a/c	36	10	11
Savings and Demat a/c	10	5	4
Salary A/c.	10	14	14
Total	100	50	50

According to Table 1, 14% of Canara Bank customers, 36% of The Federal Bank customers, and 14% of HDFC Bank customers have a current account. Additionally, 36% of Canara Bank customers, 20% of The Federal Bank customers, and 22% of HDFC Bank customers have a loan account. Furthermore, 10% of Canara Bank customers, 10% of The Federal Bank customers, and 8% of HDFC Bank customers have a Demat account.

In conclusion, most respondents who have accounts with these banks opened them for savings and loan purposes. This suggests that customers value accessing financial services from their banks, including savings and loan products.

Table 2Level of Usage or Familiarity with the Internet for Digital Banking Services

Bank Duration	Canara Bank	Federal Bank	HDFC bank	Total
Expert User	33 (33%)	11 (22%)	12 (24%)	56 (28%)
Advanced User	12 (12%)	18 (36%)	7 (14%)	37 (18.5%)
Average User	8 (8%)	4 (8%)	4 (8%)	16 (8%)
Beginner	19 (19%)	12 (24%)	15 (30%)	46 (23%)
Basic	28 (28%)	5 (10%)	12 (24%)	45 (22.5%)
Total	100	50	50	200

Source: Computed from primary data

According to Table 2, 33% of Canara Bank customers, 22% of Federal Bank customers, and 24% of HDFC Bank customers are expert users of digital banking services. Additionally, 19% of Canara Bank customers, 24% of Federal Bank customers, and 30% of HDFC Bank customers are beginners in digital banking services. Furthermore, 12% of Canara Bank customers, 36% of Federal Bank customers, and 14% of HDFC Bank customers are advanced users.

In conclusion, most respondents are expert users of digital banking services.

Table 3Canara Bank: Factors Influencing Tele-Banking / Digital Banking

Factors	Extent of satisfaction					Likert scale	Rank
	SA	A	N	NA	SD		
The call was handled promptly and not kept on hold	52	23	0	-4	-2	69	I
Courteous and professional manner	14	38	0	-8	-2	42	II
Quickly connected to the right person	18	13	0	-10	-10	11	III
Problem handled up to your satisfaction	14	20	0	-25	-6	3	V
Speed of counting operation	16	14	0	-13	-40	-23	VI
Understanding and replying to queries correctly	20	15	4	-12	-22	5	IV
Communication	16	14	0	-15	-24	-9	VIII
The general assessment of the service	26	8	0	-15	-40	-21	VII

Source: Computed from primary data

Table 3 shows the extent of customer satisfaction with factors reported by bank customers. The highest-ranked factor for selecting a bank is “calls being handled promptly and not being kept on hold.” The second most important factor is “courteous and professional manner,” followed by “quickly being connected to the right person” in third place. The fourth-ranked factor is “understanding and replying to queries correctly,” while the fifth is “problems being handled to the customer’s satisfaction.” The sixth-ranked factor is “speed of counting operation,” followed by “general assessment of the service” in seventh place.

Table 4Canara Bank - Internet Banking Services Level of Satisfaction

Factors	Extent of satisfaction			Likert scale	Rank
	Highly satisfied	Satisfied	Dissatisfied		
Page set-up/ menu flow	44	0	-4	40	I
Ease of use/navigation	21	0	-4	17	III

Speed of page loading	22	0	-26	-4	VI
Variety of transaction	36	0	-11	25	II
Visual design	19	0	-19	0	IV
A general assessment of the service	17	0	-36	-19	V

Source: Computed from primary data

Table 4 shows the extent of customer satisfaction with factors reported by bank customers. The data were analyzed using the Likert attitude scale. The highest-ranked factor for selecting a bank is “the page set up/menu flow.” The second most important factor is “variety of transactions,” followed by “ease of use/navigation” in third place. The fourth-ranked factor is “visual design,” while the fifth and least important factor is “general assessment of the service.”

Table 5 The Federal Bank: Factors Influencing Tele-Banking / Digital Banking

Factors	Extent of satisfaction					Likert scale	Rank
	SA	A	N	NA	SD		
The call was handled promptly and not kept on hold	22	7	0	0	-4	25	IV
Courteous and professional manner	12	25	0	-4	-4	29	III
Quickly connected to the right person	44	7	0	-2	-8	41	I
Problem handled up to your satisfaction	10	22	0	-5	-6	21	V
Speed of counting operation	38	7	0	-3	-10	32	II
Understanding and replying to queries correctly	20	17	4	-6	-10	25	IV
Communication	28	12	0	-10	-12	18	VI
The general assessment of the service	4	8	0	-6	-18	-12	VII

Source: Computed from primary data

Table 5 shows the extent of customer satisfaction with various factors reported by bank customers. The highest-ranked factor for selecting a bank is “quickly being connected to the right person.” The second most important factor is “speed of counting operation,” followed by “quickly being connected to the right person” in third place. The fourth-ranked factor is “understanding and replying to queries correctly,” while the fifth is “problems being handled to the customer’s

satisfaction.” The sixth-ranked factor is “speed of counting operation,” followed by “general assessment of the service” in seventh place. The least important factor is “communication.”

Table 6 shows the extent of customer satisfaction with factors reported by bank customers.

Factors	Extent of satisfaction			Likert scale	Rank
	HS	S	DS		
Page set-up/ menu flow	14	0	-2	12	I
Ease of use/navigation	14	0	-14	0	IV
Speed of page loading	13	0	-9	4	II
Variety of transaction	9	0	-5	4	II
Visual design	7	0	-10	-3	V
The general assessment of the service	9	0	-7	2	III

The data were analyzed using the Likert attitude scale. The highest-ranked factor for selecting a bank is “the page set up/menu flow.” The second most important factor is “speed of page loading and variety of transactions,” followed by “general assessment of the service” in third place. The fourth-ranked factor is “ease of use/navigation,” while the fifth and least important factor is “visual design.”

Table 7HDFC: Factors Influencing Tele-Banking / Digital Banking

Factors	Extent of satisfaction					Likert scale	Rank
	SA	A	N	NA	SD		
The call was handled promptly and not kept on hold	30	9	0	-3	-4	32	III
Courteous and professional manner	28	12	0	3	-2	41	I
Quickly connected to the right person	26	16	0	-4	-2	36	II
Problem handled up to your satisfaction	18	15	0	-4	-4	25	IV
Speed of counting operation	12	8	0	-10	-2	8	VI
Understanding and replying to queries correctly	8	8	4	-7	-4	9	V
Communication	6	6	0	-10	-14	-12	VII
The general assessment of the service	12	5	0	-7	-22	-12	VII

Table 7 shows the extent of customer satisfaction with factors reported by bank customers. The data were analyzed using the Likert attitude scale. The highest-ranked factor is “courteous and professional manner.” The second most important factor is “speed of counting operation,” followed by “calls being handled promptly and not being kept on hold” in third place. The fourth-ranked factor is “problems being handled to the customer’s satisfaction,” while the fifth-ranked factor is “understanding and replying to queries correctly.” The sixth-ranked factor is “speed of counting operation,” the seventh and least important factors are “communication and general assessment of the service.”

Table 8HDFC Bank - Internet Banking Services Level of Satisfaction

Factors	Extent of satisfaction			Likert scale	Rank
	HS	S	DS		
Page set-up/ menu flow	9	0	-2	7	II
Ease of use/navigation	15	0	-2	13	I
Speed of page loading	9	0	-2	7	II
Variety of transaction	9	0	-5	4	IV
Visual design	9	0	-4	5	III
The general assessment of the service	5	0	-8	-3	V

Table 8 shows the extent of customer satisfaction with factors reported by bank customers. The highest-ranked factor is “ease of use/navigation.” The second most important factor is “page set up/menu flow,” followed by “visual design” in third place. The fourth-ranked factor is “variety of transactions,” while the fifth and least important factor is “general assessment of the service.”

1.6 Findings

- This study found that 14% of Canara Bank customers, 36% of The Federal Bank customers, and 14% of HDFC Bank customers have a current account.
- Additionally, 36% of Canara Bank customers, 20% of The Federal Bank customers, and 22% of HDFC Bank customers have a loan account. Furthermore, 10% of Canara Bank customers, 10% of The Federal Bank customers, and 8% of HDFC Bank customers have a Demat account.
- Regarding expertise with digital banking services, this study found that 33% of Canara Bank customers, 22% of Federal Bank customers, and 24% of HDFC Bank customers are expert users.
- Additionally, 19% of Canara Bank customers, 24% of The Federal Bank customers, and 30% of HDFC Bank customers are beginners in digital banking services. Furthermore, 12% of Canara Bank customers, 36% of Federal Bank customers, and 14% of HDFC Bank customers are advanced users.
- This study also examined the factors influencing customer satisfaction with digital banking services. The data were analyzed using the Likert attitude scale. The highest-ranked factor for selecting a bank is “calls being handled promptly and not being kept on hold.” The second most important factor is “courteous and professional manner,” followed by “quickly being connected to the right person” in third place. Other important factors include “understanding and replying to queries correctly,” “problems being handled to the customer’s satisfaction,” “speed of counting operation,” and “general assessment of the service.”

1.7 Recommendations

By implementing the following recommendations, banks can enhance customer satisfaction with their e-banking services and provide a better overall customer experience.

- Ensuring that calls are handled promptly and customers are not kept on hold for long periods.
- Training customer service representatives to be courteous and professional in their customer interactions.
- Improving the ease of use and navigation of e-banking platforms to make it easier for customers to access the services they need.
- Ensuring customers are quickly connected to the right person when they need assistance.
- Ensuring that customer queries are understood and replied to correctly.
- Handling customer problems effectively and to their satisfaction.
- Continuously assess and improve the overall quality of e-banking services.

Conclusion

This study found that banks' customers have varying satisfaction levels with other factors, such as their account type and expertise with digital banking services. This study also identified several factors influencing customer satisfaction, including prompt handling of calls, courteous and professional manner, and ease of use and navigation. In conclusion, this study provides valuable insights into customer satisfaction with digital banking services in India. It can help banks improve their services to meet customers' needs and expectations.

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