



A study on customer satisfaction towards online banking services

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Abstract

Banks are the backbone of any country's economy. Online banking is a new term used in the banking system of the present time. online banking is a process in which customer transact through the network without going to the bank. Like bill payment, fund transfer, investing and shopping etc. Evaluation of online banking service started in the 1980. India is the third largest online population in the world after China and the United State. online banking was first introduced in India ICICI Bank in 1996. The government of India in the IT act 2000 October 17. Today with developing of online banking services customer interest in using this services fairly improve day by day the purpose of the research article is to search and examine the various factors which have influenced customer satisfaction towards online banking services.

Keywords: banking, satisfaction, network, evaluation, examine

Introduction

Bank plays a vital role in organizing small capital and motivating people to deposit them. In the present times online banking has become the most popular tools of attracting new customer and providing customer satisfaction, which helps in achieving economic goals. Now a days all banking activities like opening a new account, checking the account balance, fund transfer, depositing or withdrawing money etc, can be done through online banking. This helps the customers in saving time by completing work at the click of the button.

Customer satisfaction and online banking services

Online banking plays a significant role in the economic development of a country. Online banking is a new term used in the banking system of the present Era. We also know the online banking system as electronic banking system. Online banking is a process in which a customer transacts through the network without going to the bank like bill payment, fund transfer, investing and shopping etc. Online banking system is very beneficial as compared to the old banking system method. People cannot even think of standing in line for long time by going to the bank to deposit their capital and other banking related activities. Today with developing of online banking services Customer interest in using these services Is fairly improving day by day.

Sevral advantage of online banking services which are enlisted below

- Banking with convenience
 - No time limit
 - No geographical barrier
 - minimum transaction cost
 - Lesser paper work
 - Lesser human error
- Banking with convenience: Anyone can enjoy banking services for anytime from anywhere.
- No time limit-: A customer can access his account and transact from anywhere 24 x7 x365.

- No geographical barrier-: In traditional banking system geographical distance could hamper certain banking transaction but online banking transactions geographical barriers are reduced.
- Minimum transaction cost-: Online transaction are the cheapest modes of transaction, the customer does not have to visit the branch for every transaction, it saves him both time and money.
- Lesser paper work: - Online transaction are the cheapest modes of transaction. Digital records reduce paper work and make the process easier and environment – friendly.
- Lesser human error: - Online banking transaction helps reduce errors in regular banking transaction. Mistaken information etc. There is no space for human error.

Origin of the research problem

Evaluation of online banking service started in the 1980. New York city was the first place in the U. S. to test out the innovation in 1993. Online banking was first introduced in India ICICI bank in 1996. City bank and HDFC bank followed with the online banking services in 1999, The Government of India in the IT act 2000 Oct 17'. Now a days every Bank use online services tool to provide better service quality and attract the attention of new customer provide them with proper services. Online banking makes customers banking experience more convenient, efficient and effective, because any one can enjoy banking services for anytime from anywhere. The purpose of this research is to search and examine the factors which can influence customer satisfaction towards online banking services.

Literature review on internet banking

Amruth Raj Nippatlapalli (2013)

In his research paper "A Study on Customer Satisfaction of Commercial Banks: Case Study on State Bank of India". This paper present Customer satisfaction, a term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose

reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals."Banking in India originated in the last decades of the 18th century.

Ms. Nisha Malik & Mr. Chand Prakash Saini (Jul 2013)

In their research titled on "Private Sector Banks Service Quality and Customer Satisfaction" A Empirical Study two Private Sector Banks". This research paper is an effort to examine the relationship between service quality and customer satisfaction of two private sectors bank of India. Service quality has been described as a form of attitude that results from the comparison of prospect. while evaluating the quality of service, compare the service they expect with perceptions of the services they actually receive.

Shilpi Khandelwal (2013)

In his research titled on "E Banking: Factors of Adoption in India" This paper present the last decade has witnessed a drastic change in the economic and banking environment all over the world. With the economic and financial sector reforms introduced in the country since early 1990s, the operating environment for banks India has also undergone a rapid change. Increasingly, more and more people are switching to electronic platforms for executing financial transactions. Internet banking has brought about a 360 degree change in the entire banking industry. The wider usage of cell phone and internet certainly seems to be playing a role in blurring physical boundaries, and unlocking a whole new world of opportunities for banks in tapping newer customer segments and in recording greater volume of transactions.

Neetu Jain & DR. Pooja Malhotra (2012)

In their research paper "Demographic Factors Affecting the Adoption of Internet Banking in India". The goal of this paper to find out the demographic factors affecting adoption of electronic banking in general and Internet banking in particular in India. The data for this study is based upon a survey of bank customers using a convenience sampling technique with the aid of a structured self-administered questionnaire. The survey was conducted during the period of April 2012. The results of this study indicate that age, education, income, and profession are the most influential demographic variables affecting Internet banking usage. Using a mailed questionnaire with a response rate of 38.9 per cent, it was found that 40 per cent of the Indian consumers who responded to this survey were already using Internet banking services. The results of this study provide interesting additions to knowledge of electronic banking.

Vijay M. Kumbhar (2011)

In his research paper "Factors Affecting the Customer satisfaction In E- Banking: Some evidences Form Indian Banks". This study evaluates major factors (i.e. service quality, brand perception and perceived value) affecting on customers' satisfaction in e-banking service settings. This study also evaluates influence of service quality on brand perception, perceived value and satisfaction in e-banking. Required data was collected through customers' survey. For conducting customers' survey liker scale-based questionnaire was developed after review of literature and discussions with bank managers as well as experts in customer service and marketing. A result indicates that, Perceived Value, Brand Perception, Cost Effectiveness,

Easy to Use, Convenience, Problem Handling, Security/Assurance and Responsiveness are important factors in customers satisfaction.

Research GAP

Customer satisfaction is a significant issue for most marketers. This research has been conducted order to critically evaluate or examine the customer satisfaction towards online banking services with special reference to Saraikela Kharsawan District of Jharkhand. After reviewing the literature is found that many research done in customer satisfaction in India or other state, but till date no research has been done to find out customer satisfaction towards online banking services in Saraikela Kharsawan District. This research will help the management of the Saraikela banks and the policy makers not only improving the level of satisfaction and also increasing the bond between the banks and their customers. The goal of this research work is to evaluate study of the impact of online banking services the social and economic development of the people of nine blocks of Saraikela Kharsawan District (Saraikela, Kharswan, Gamharia, Rajnagar, Ichagarh Kochai, Chandil, Nimdih and Kukru). No study has yet investigated the above interrelationship mentioned.so the purpose of this study is to feel this gap

Statement of Problem

Online banking offers a lot of benefits to the customers. With the help of online banking services banking transaction can be carried out anytime and anywhere. Saraikela is one of the 24 District of Jharkhand state in Eastern India. (2 sub subdivision, 9 blocks 132 panchayat and 1148 villages) Customer satisfaction is one of the main factors for banks in order to stay competitive in this banking sector. This is because high customer satisfaction help the bank to retain its exciting customers and attract new customers. At once however few customer satisfaction often lead to business failure. It is not easy to fulfill the requirement or need of majority customer because same problems exit to restrict the improvement of banking sector. All the the issue will be taken into account in this study to investigate the factor that affect customer satisfaction towards online banking services. In this paper i will try to represent the present scenario of customer satisfaction towards online banking services. The study conducted in the area of Saraikela Kharswan District (Jharkhand) only.

Need and significance of the study

India has the third largest online population in the world after China and the United States. The concept of online banking is justly recent origin in India till the early 1990. The importance of this study is to provide bank insight regarding the factors influence the customer satisfaction towards online banking services in saraikela kharsawan district. The main challenge for the banking industry is increasing satisfaction customer through advance Quality Services. This study help banking institution to develop and enhance their online banking services, the finding is very useful for future decision making. Bank are able to identify understand what customer needs, various factors which contribute to the customer satisfaction such as convenience, flexible, virtual banking system, reliability, timing factor, saving transaction cost, easy to use, user friendly are taken for this study. The main concern of this study is to find out

the factors which really contribute to customer satisfaction in Saraikela Kharsawan District.

Objective of the Study

1. To identify the prospect and problem of online banking services.
2. To know the expectation of customers and reality of online banking services.
3. To State the present situation of the online banking services in Saraikela Kharswan District.
4. Study the impact of social, economic, educational and cultural background of customer.
5. To summaries the study draw Conclusion and offer suggestion for the effective working of the online banking services.

Scope of the research work

- This study will helpful to point out the important area where bankers lacks in providing online banking.

- Finding of the study may help the banking institution to develop and enhance their online banking services.
- The research will also give a very clear picture to identify and understand perception and desire about online banking

Limitation of the study

- The study has been conducted only on 200 respondents.
- Responded chosen randomly.
- Survey area is limited to Saraikela Kharsawan District only.

Hypothesis

H0: There is positive correlation between customer satisfaction and online banking services.

H1: There is no positive correlation between customer satisfaction and online banking services.

Table 1: Research methods & Methodology

A. Data collection tools:-	Primary and secondary data. <ul style="list-style-type: none"> ▪ Primary data for the study will be collected through detailed field survey with the help of formally designed questionnaire and face to face interview. ▪ Secondary data for the study will be collected through books, magazines, newspaper, internet sites, published research articles, government report etc.
B. Survey Plan:- ▪ sample size -	200
C. Sampling method	Random sampling.
D. Research instrument	Questionnaire.
E. Hypothesis testing tools	Mean, Standard deviation Z test, correlation, regression, frequency distribution, ANOVA, SPSS and others statistical tools.

Ethical consideration

In considering ethical issue in this study, I will try to respect privacy of possible and actual participant. Ensure voluntary nature of participation. Data proceeds fairly and lawfully. Data will be kept securely. In case of plagiarism, in this study it is very cautiously taken. Whenever there is a use of secondary data references is made. Data will not be used directly. Research will be done with honesty and transparency. This research work is my own. A number of different approaches were applied to collect crucial information on this topic. I ensure there will not be any plagiarism in this research. I believe that this study will assist in making accurate decision, experience for future study helpful for my future career.

Conclusion

Customer satisfaction is a significant issue for most marketers. Online banking offers a lot of benefits to the customers. Anyone can enjoy banking services for anytime from anywhere and access account and transact from anywhere 24 / 7/ 365. Online banking will be the most preferred from the banking in the coming years. Digital records reduce paper work and make the process easier and environment friendly.

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