



A study on customer perception towards the E-banking services provided by the Federal Bank with special reference to Coimbatore city

Parthasarathi P¹, M Sangeetha²

¹ Department of Commerce, VLB Janakiammal College of Arts and Science, Coimbatore, Tamil Nadu, India

² Assistant Professor, Department of Commerce, VLB Janakiammal College of Arts and Science Coimbatore, Tamil Nadu, India

Abstract

In today's digital era, e-banking services play a crucial role in providing convenience and accessibility to customers. This paper examines the e-banking services offered by Federal Bank, focusing on their impact on customer experience. Through a comprehensive review of the literature, we explore various aspects such as user interface design, security measures, transaction efficiency, and customer support. Additionally, we analyze customer feedback and satisfaction levels to gauge the effectiveness of Federal Bank's e-banking services. This research shows how it's important for banks to keep getting better and coming up with new ideas to make their online banking services better for customers. It looks at how Federal Bank is doing this and what we can learn from their strategies to make e-banking even better.

Keywords: E-banking, Federal Bank, customer

Introduction

The Federal Bank has embraced e-banking to meet evolving customer needs, particularly in Coimbatore district, known for its diverse economy and tech-savvy populace. This study examines customer experiences, focusing on usability, reliability, security, and support. Coimbatore's industrial prominence underscores the importance of understanding local preferences and challenges. Literature underscores trust, security, convenience, and personalization as keys to e-banking satisfaction. The bank's investment in digital infrastructure reflects the growing reliance on Internet banking for payments, transfers, and deposits, marking a transformative shift in modern banking dynamics.

Electronic Banking is more commonly referred to as internet banking or simply net banking. It is an electronic payment system supported by a website that offers an array of products and services of any bank that can work electronically, like payments, transfers, deposits, and more.

Objective of the study

1. To assess the overall satisfaction levels of customers with the Federal Bank's e-banking services.
2. To identify the factors influencing customers' perceptions and experiences using e-banking services.
3. To rate the cross-device accessibility of Federal Bank's e-banking services.
4. To evaluate the level of trust customers have in the security measures implemented by the Federal Bank for e-banking.
5. To figure out how much customers use different online banking features and options.

Statement of the problem

Today, all banking sectors provide a lot of services to their customers. Although all banks offer e-banking services. It is a necessity to study whether all the banking customers are aware of the E-banking services. To get the highest

satisfaction on the e-banking channels, a customer should have complete knowledge and awareness of various products and services offered by the bank, and bankers should have the ability to identify the type of services needed by a customer and render the same to his satisfaction.

Limitation of the study

1. The sample size taken for analysis is 150 only.
2. This study was conducted only in Coimbatore city.
3. Limited timeframe for capturing dynamic perceptions.
4. Presence of sampling Bias and reliance on self-reported data with potential biases.

Scope of the study

This study wants to find out if people are happy with online banking services. It also wants to know what makes people think certain things about online banking. It will check if it's easy to use online banking on different devices and if people trust that it's safe. Finally, it will see how much people use different online banking features. This will help make online banking better for everyone.

Review of the literature

(Emad Hashiem Abualsauod, 2020) This study aims to assess the impact of online banking (OB) quality gaps on customer satisfaction in Saudi Arabia. It identifies five OB quality gaps and three phases of customer engagement with OB systems. The study highlights the significant impact of technology and human interaction gaps on customers' ability to use OB effectively. This research provides insights into enhancing OB services to improve customer satisfaction.

(Dr. S. Sangeetha, 2020) Investigating customer satisfaction towards E-Banking Services and its impacts on banks, this study finds no significant difference between various personal factors (e.g., age, profession, annual income) and customer satisfaction levels. It underscores the utility of Electronic Banking technology for both customers

and banks. This research can help banks tailor their services to meet customer needs better and enhance overall satisfaction.

(Dr. Jagdeep Singh, 2018) This study explores the effect of E-Banking on service quality using a Service Quality model extended to 42 statements. It identifies nine factors crucial to service quality, including connectivity, tangibility, and reliability. The findings emphasize the importance of addressing these factors to provide high-quality E-Banking services and enhance customer satisfaction.

(Samsunisa. A, 2016) Focused on Chennai, this study aims to identify factors affecting customers' adoption of Internet banking services and explore their relationship with demographic factors. It highlights the positive role of demographic factors like education and income in banking technology adoption. This research provides insights into the evolving banking industry and consumer behavior, aiding banks in tailoring their services to meet customer needs effectively.

Research methodology

Research is a specific and systematic search for information on a specific topic. Research is an art of scientific

investigation that comprises defining and redefining problem formulation suggestions (or), solutions, and data evaluation.

Method of Data Collection: The data collected for this study is.

Primary Data: The primary data are collected through structured questionnaires.

Secondary Data: Secondary data is data collected from websites and records.

Area of Study: This study was conducted in Coimbatore city.

Sample size: 150 respondents residing in Coimbatore city were selected for the study.

Tools used for Analysis: Data analysis tools are Simple percentages and Chi-square tests.

**Data Analysis and Interpretation
Percentage analysis**

Table 1: Age of the respondents

Age	No. of respondents	Percentage
18-25	74	49
26-35	42	28.5
36-45	23	16.6
46-55	7	4.6
55and Above	2	1.3

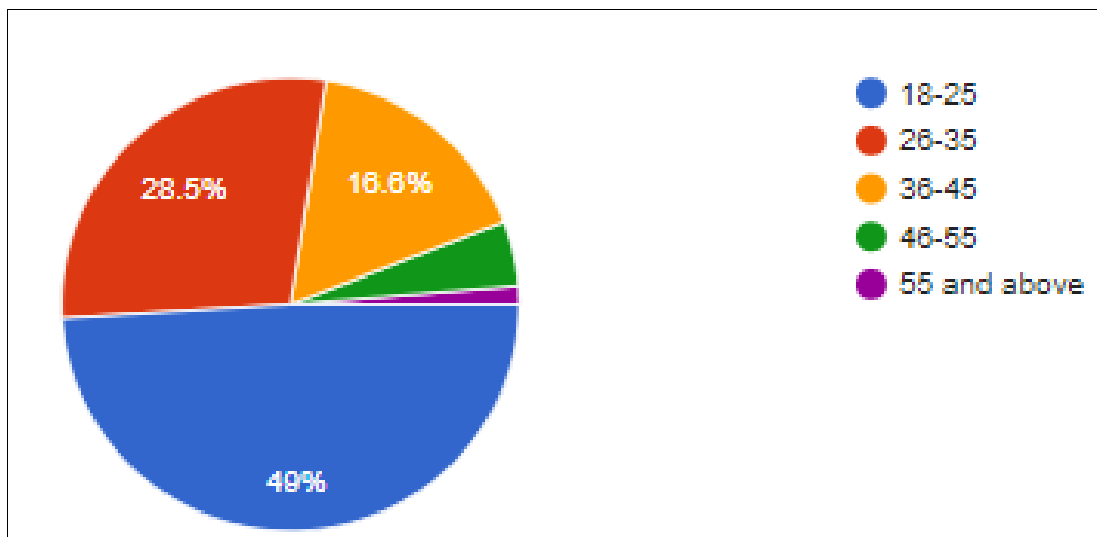


Fig 1: Age of the respondents

Interpretation

Majority (49%) of the respondents are in the age group of 18-25 years.

Table 2: Frequency of using Federal Bank's e-banking services.

Frequency	Respondents	Percentage
Daily	48	31.8
Weekly	59	39.1
Monthly	32	21.2
Rarely	12	7.9

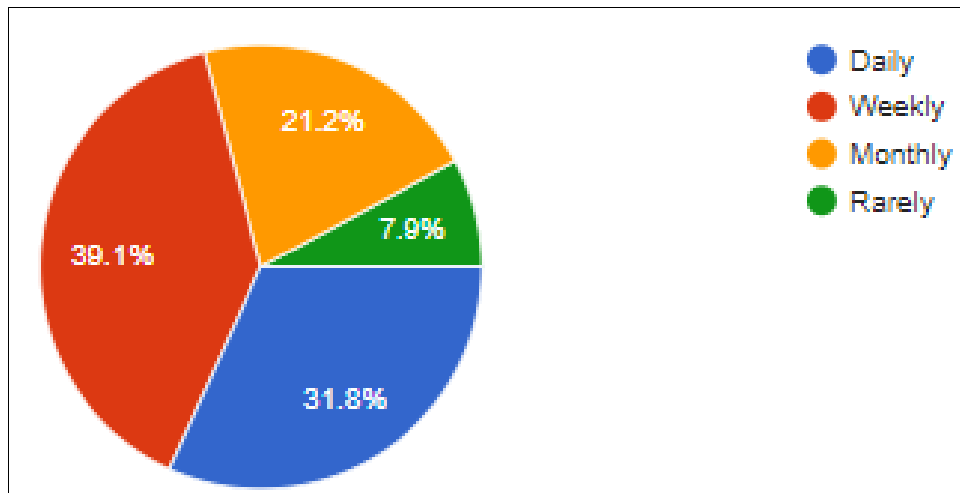


Fig 2: Frequency of using Federal Bank's e-banking services.

Interpretation

Majority (39.1%) of the respondents are using the Federal Bank's e-banking weekly.

Chi-square analysis

Chi-square analysis formula

$$\chi^2 = \sum (O_i - E_i)^2 / E_i$$

Degree of freedom: (r-1) (c-1).

H1: Gender & learning about federal banks' e-banking services.

Table 3: Chi-square

O	E	(O-E) 2	(O-E)2/E
27	36.63	92.75	2.5321
40	36.63	11.350	0.3098
20	13.73	39.312	2.8632
37	27.36	92.929	3.3965
24	27.36	11.289	0.4126
4	10.26	39.187	3.8192
151	150.97	286.817	13.3334

Result: The calculated chi-square value is (5.74) less than the (16.919) table value. Hence, the hypothesis is accepted. (H1).

There is a significant relationship between Gender & learning about federal banks' e-banking services.

Findings

Majority of the respondents are in the age group of 18-25 years.

Majority (57%) of the respondents are male.

Majority (37.18) of the respondents are bachelor's degrees.

Majority (48.3%) of the respondents are students.

Majority (48.51) of the respondents used Federal Bank's e-banking Service for less than 6 months.

Majority (39.1%) of the respondents use federal banks' e-banking services weekly.

Majority (44.7%) of the respondents think Convenience is the reason to choose Federal Bank's e-banking services over others.

Majority (69.3%) of the respondents use mobile banking.

Majority (31.1%) of the respondents say Excellent of Federal Bank's e-banking Services across different devices.

Majority (40.4%) of the respondents know about federal banks' e-banking Savier by word of mouth.

Majority (38.4%) of the respondents were Confident about the Security of their transactions through Federal Bank's e-banking services.

Majority (59.6%) of the respondents said NO, that they have ever faced any security breaches or fraudulent activities related to banking transactions with federal banks.

Majority (62.3%) of the respondents said yes, that the available Customer support Channels were Convenient.

Majority (40.47) of the respondents rated Excellent for the overall user interface of Federal Bank's e-banking platforms.

Majority (39.1%) of the respondents were likely to recommend federal bank e-banking services to friends or family.

Suggestions

1. Enhance the e-banking interface based on customer feedback.
2. Fast transactions and helpful customer service improve e-banking experience quickly, meeting customer needs efficiently.
3. Work well on computers, phones, and tablets for easy access and use everywhere.
4. Strengthen the security measures to boost customer trust towards E-banking.
5. Promote the utilization of diverse e-banking features.

Conclusions

This study delved into customer perceptions of e-banking services provided by the Federal Bank in Coimbatore city. Findings highlighted a predominantly young user base, with convenience and security being key factors influencing adoption. Recommendations include bolstering security education efforts, diversifying customer support channels, and continuously refining the user interface to ensure optimal user experience and foster long-term engagement and loyalty.

References

1. <https://www.jetir.org/papers/JETIRZ006014.pdf>
2. https://bsssbhopal.edu.in/uploads/naac/criteria_1/student_projects/232%20Rudrapriya%20Diwan.pdf
3. https://sist.sathyabama.ac.in/sist_naac/documents/1.3.4/1922-b.com-b.com-batchno-19.pdf