



## A study on impact of E-banking service of SBI towards customer satisfaction with special reference of Coimbatore city

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### Abstract

This study investigates the impact of e-banking on customer satisfaction, with a focus on the State Bank of India (SBI) in Coimbatore. E-banking has become increasingly prevalent in the banking industry, offering convenience and efficiency to customers. However, its effect on customer satisfaction remains a subject of debate. Through a comprehensive analysis of customer perceptions and experiences, this research aims to shed light on the relationship between e-banking services provided by SBI and customer satisfaction levels in Coimbatore. The findings of this study are expected to provide valuable insights for both SBI and other banking institutions seeking to enhance their e-banking services and improve customer satisfaction.

**Keywords:** Online banking, digital banking, user experience, service quality

### Introduction

The advent of electronic banking (e-banking) has revolutionized the traditional banking landscape, offering customers greater convenience, accessibility, and efficiency in managing their financial transactions. State Bank of India (SBI), as one of the largest banking institutions in India, has embraced e-banking technologies to enhance its services and meet the evolving needs of its customers. In the context of Coimbatore, a thriving industrial and commercial hub in Tamil Nadu, understanding the impact of e-banking on customer satisfaction is of paramount importance. This study aims to delve into the relationship between e-banking adoption and customer satisfaction specifically within the realm of SBI's operations in Coimbatore. By examining various factors such as ease of use, security, reliability, and service quality, this study seeks to provide valuable insights into how e-banking influences customer satisfaction levels in the Coimbatore region. Such insights are crucial for banks like SBI to refine their e-banking offerings, tailor their services to meet customer expectations, and ultimately foster long-term relationships.

### Objectives of the study

The following objectives are formulated for the present study:

1. To study the satisfaction level of customers with SBI E – banking services.
2. To study the opinion of SBI customers towards YONO app.
3. To analyze the convenience of customers with SBI banking.
4. To analyze the impact of e-banking services on customers
5. To identify the relationship between age group and transferring of money through SBI E banking service.

### Limitation of the study

1. **Sample Size:** Limited sample size may not accurately represent the diverse population of SBI customers in Coimbatore.

2. **Geographic Scope:** Focusing solely on Coimbatore may not capture variations in customer satisfaction levels across different regions.
3. **Time Constraints:** Time limitations may restrict the depth of analysis or the ability to capture long-term trends in customer satisfaction.
4. **Data Collection Method:** Reliance on self-reported data or surveys may introduce response bias or inaccuracies.
5. **External Factors:** External factors such as economic conditions or competitive landscape may influence customer satisfaction levels, but they may not be fully accounted for in the study.

### Statement of the problems

The Government is launching many new programmes in the country which are suitable to people's community to meet the objective of countries development one such programme is launching of e-banking services. As the e-banking services have started flourishing in the district in the past few years, the banking organizations have to meet the competition among the banking sector. There is a lack of awareness among the SBI customer's regarding e-banking services through the study has been chosen for the study. The study is based on only the impact of e-banking service of SBI towards customer satisfaction with special reference of coimbatore city only.

### Review of the literature

Dr. T. Santhiya Ran, A. Saravanan (2018) analyses the customers satisfaction towards internet banking of all Banks has been elicited and analyzed. This part consists of demographic profile of customers and bank transaction details and reasons for using internet banking has been taken into consideration. The question of how attitude towards element of existing banking service might influence to customer decision to used internet banking has not been investigated. As client get additional and educated,

obtaining insight concerning fashionable banking, via web banking has registered as primary knowledge concern for all leading and future banks in Asian nation.

Goudarzi (2017) provide an overview of the extant research into the relationships between trust and Internet banking adoption as perceived by banks’ customers. They covered empirical studies on the factors of trust and the adoption of Internet banking.

Hanafizadeh, Keating (2017) focused on Internet banking adoption. Their findings revealed that interest in the topic of Internet banking adoption had grown significantly.

Keskar and Pandey (2018) identify relevant works in Internet banking between 2002 and 2016. Their findings indicate that issues such as cyber-security, trust, and web-design and their effects on customer loyalty, customer retention, and customer satisfaction have not been investigated in depth. The major limitation of the study is that the authors failed to present the antecedents of customer satisfaction in the Internet banking literature. Thus, this literature review aims to fill this gap in our current knowledge about the antecedents predicting customer satisfaction in Internet banking.

**Research methodology**

Research Methods is defined as “tools or instruments used to accomplish the goals and attributes of study”.

**Method of data collection**

The data was collected for this study is

- **Primary data:** The primary data are those which are called fresh form Google forms for the primary time.
- **Secondary data:** The Secondary data is collected from journals, magazines and books, newspaper and internet.

**Area of study:** The study was conducted in Coimbatore city.

**Sample Size:** The sample size is 150.

**Tools used for the analysis:** Data analysing tools are Simple percentage and Chi-square test.

**Simple percentage:** Percentage base analysis helps to find which factor is significant among a number of factors.

**Chi-square:** A Chi-square-statistics is used to test the measures of expectations.

**Demographic profile of the respondents**

**Table 1:** Showing the demographic profile

S. N	Demographic	No of respondent	Percentage	
1	Gender	Male	99	66%
		Female	51	34%
2	Age	18-21	45	30%
		22-30	87	58%
		31-40	16	10.7%
		41-50	2	1.3%
3	Educational qualification	Schooling	21	14%
		UG	74	49.3%
		PG	41	27.3%
		Other	14	9.3%
4	Residential place	Rural	61	40.75%
		Urban	72	48%
		Semi-urban	17	11.3%
5	Income	Below 20000	56	37.3%
		20001-30000	75	50%
		30001-40000	14	9.3%
		Above 40000	5	3.4%
6	Marital	Married	72	48%
		Unmarried	78	52%
7	Type of family	Joint family	84	56%
		Nuclear family	66	44%
8	Account holder of SBI	Yes	140	93.3%
		No	10	6.7%

**Interpretation:** Table 1 clearly states the demographic profile of the sample respondents. Most of them are Male. Majority of them are at the age of 22-30. Majority of the respondents are UG qualified. Most of them are living in urban areas. Majority of respondent’s family monthly income is 20001-30000. Majority of them are unmarried. Most of them are in joint family. Majority of them are SBI account holders.

**Chi-square analysis:** A chi-square test is a statistical test used to compare observed value with expected value. The purpose of this test is to determine if a difference between observed data and expected data is due to chance, or if it is due to a relationship between the variables are studied. The two variables are age and the rate of awareness of the respondents.

**Table 2**

S. N	Factors	No of respondent	Percentage	
1	Age	18-21	45	30%
		22-30	87	58%
		30-40	16	10.7%

		40-50	2	1.3%
2	Transfer of money	Below 5000	34	22.7%
		5000 – 10000	77	51.3%
		10000 – 15000	36	24%
		More than 15000	3	2%

**Interpretation:** Table clearly states that the demographic profile of the respondents. Most of the respondents transfer money of Rs.5000 to Rs.10000.  
Degree of freedom = (r-1) (c-1)

**Table 3**

Particulars	Below 5000	5000-10000	10000-15000	More than 15000	Grand Total
18-21	26	14	4	1	45
22-30	7	55	25	0	87
30-40	1	6	7	2	16
40-50	0	2	0	0	2
Grand Total	34	77	36	3	150

H<sub>0</sub> = H<sub>0</sub> is the null hypothesis. There is no relationship between the independent variable and the dependent variable.

H<sub>1</sub> = H<sub>1</sub> is the alternative hypothesis. There is relationship between the independent variable and the dependent variable.

Chi square analysis formula:

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

**Table 4**

O	E	(O-E)^2	(O-E)^2/E
26	10.2	249.64	24.475
14	23.1	82.81	3.585
4	10.8	46.24	4.281
1	0.9	0.01	0.011
7	19.72	161.798	8.205
55	44.66	106.9156	2.394
25	20.88	16.9744	0.813
0	1.74	3.0276	1.740
1	3.62	6.8644	1.896
6	8.21	4.8841	0.595
7	3.84	9.9856	2.600
2	0.32	2.8224	8.820
0	0.45	0.2025	0.450
2	1.02	0.9604	0.942
0	0.48	0.2304	0.480
0	0.04	0.0016	0.040
150	149.98	693.3674	61.327

Degree of freedom = (r-1)\*(c-1)

$$= (4-1)*(4-1)$$

$$= 3*3$$

$$=9$$

Table value =16.919

Calculated value =61.327

**Result:** The calculated value (61.327) is less than the table value (16.919).

Hence, the null hypothesis is accepted. Therefore, there is no significant relationship between

The age of the respondents and the transfer of the money.

**Findings**

- Majority (66%) of the respondent are male.
- Majority (58%) of the respondent are the age of 22 to 30.
- Maximum (49.3%) of the respondent are UG qualified.
- Maximum (48%) of the respondent are living in urban areas.
- Majority (50%) of the respondent’s income is 20000 to 30000
- Majority (52%) of the respondent are unmarried.
- Majority (56%) of the respondent are living in joint family.
- Majority (93.3%) of the respondent are SBI account holders.
- Majority (86.7%) of the respondent are using online banking than traditional banking.
- Majority (60%) of the respondent are maintaining saving account.
- Maximum (35.3%) of the respondent are using SBI account for 1year.
- Majority (54%) of the respondent are known about YONO cash features
- Maximum (50%) of the respondent are using internet banking facilities frequently.
- Maximum (40.7%) of the respondent transfer money in mobile banking weekly.
- Majority (58%) of the respondent transfer money to their friends and family.
- Majority (61.3%) of the respondent are using UPI online payment.
- Majority (51.3%) of the respondent transfer money Rs.5000 to 10000
- Majority (51.3%) of the respondent using E banking services because of service and safe.
- Maximum (31%) of the respondent are reliable, promote green banking and 24\*7 service are rated as 4Star.
- Maximum (49%) of the respondent are satisfied with money transfer SBI to Other banks.
- Maximum (41.3%) of the respondent facing the problems of server issues.
- Majority (56.7%) of the respondent are satisfied with the SBI E-banking service.

**Suggestions**

Based on the findings, it's evident that State Bank of India's e-banking services in Coimbatore generally satisfy customers. To further enhance satisfaction, SBI should focus on resolving server issues promptly and improving awareness about e-banking features. Regular updates on service reliability and educating customers about security measures can also foster trust and boost satisfaction levels among users.

**Conclusions**

The study examined the impact of SBI's e-banking services on customer satisfaction in Coimbatore. Despite limitations

such as sample size and geographic scope, findings revealed a majority of satisfied customers, especially with features like money transfer and UPI payments. Addressing server issues could further enhance satisfaction. Overall, SBI's e-banking services are positively perceived among Coimbatore customers, warranting continued improvements.

### Reference

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