

Customer Satisfaction and Service Quality in Online Banking: A Dual Challenge

E. Sunitha

Lecturer in Commerce, TSR&ERR GDC Pamaru.

Abstract

The main aim of this paper is to find out the relationship between the customer satisfaction and service quality. How the customer are satisfied by the quality service provided by the providers, they should fill the gap between the expectation and perceptions of services regarding the online financial services. For this study convenient sampling is used, data was collected from 100 respondents where as percentage method considered for this analysis. Finally the results shows that the customers are highly satisfied with services of the online banking sector. The overall satisfaction of the customers mainly are continues improvement for quality service, easy to access the website, more on saving time is high factor of satisfied, even though the services are very advanced but there is some dissatisfaction regarding security, and charges for using online services.

Keywords: Satisfaction, Expectation, Service quality, Online Banking, Customer.

INTRODUCTION

The banking sector plays a major and very critical component of the world economy by providing different financial services to who needed like Individual, government and business houses. Financial services encompass a wide range of economic services provided by the finance industry, including banking, insurance, investment, and wealth management. These services play a crucial role in the economy by facilitating the flow of capital and liquidity in the marketplace. By getting and improving awareness of financial services is crucial for both consumers and providers. Awareness levels and service quality can significantly impact on the customer satisfaction financial services which may reflect on well-being of individuals and the effectiveness of financial institutions. The government bodies are bring the awareness on the banking services and educating the public regarding service even it is online or off line services. While using these services how far the customers are satisfied is a big question to the service providers either their meeting the customer expectation or their has to improve in any aspects which customers are more likely to perceives because the service quality and customer satisfaction are both sides of the same coin. Increasing awareness of financial services is essential for fostering financial inclusion and stability.

REVIEW OF LITERATURE

Technology is very useful to customers to do online banking (Dr.S.Sangeetha 2020) connectivity, credibility, access and reliability these are consideration assessed by e-banking service providers (Dr.jagdeep singh 2018) customer services being an integral art of banking and the dynamic nature of technology and time may lead to change in customer preference with this there is a need for

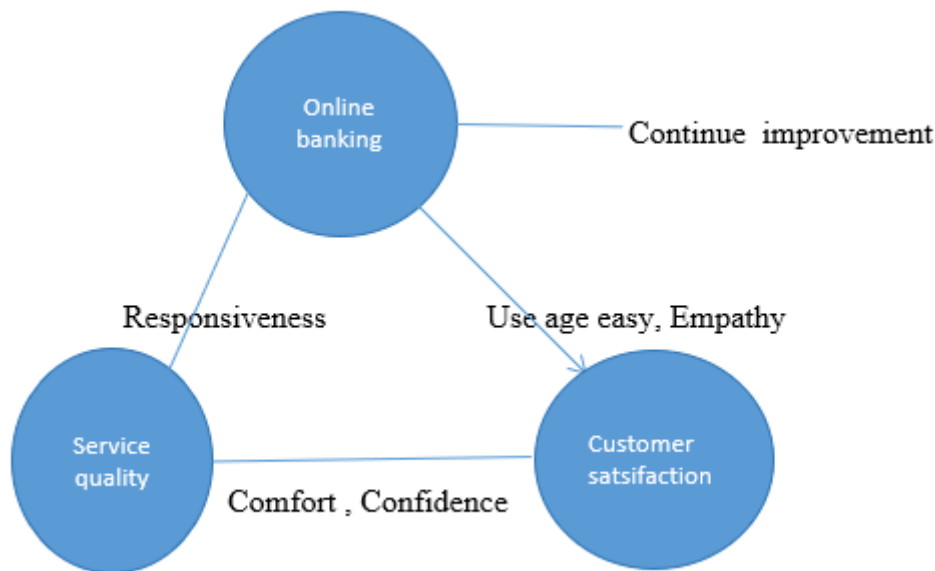
introduce new services and strategies to attract the customers(C.K.Sunith 2019) the gap between teenagers and adults so the adults and senior citizen need some awareness about the technical aspects (Ms.J.Swathi Nayak, Mrs Madhura,and Dr.Raghavendra B, 2023).Responsiveness , security and site atheistic in order are the major factors which strongly leads to customer satisfaction.(jasveen karu and balijit karu 2022). jaenudin and Evi verawati(2022) there is a positive and significant influence of service quality to the customer satisfaction in this way company should perform qualified services and make continues improvements.

Objectives of the study:

1. To study the customer satisfaction towards online Financial service
2. To know which factors effect most the customer satisfaction towards online banking service.

Hypothese of the study

1. There is no significant association between Age and the factors influencing the use of online banking services.
2. There is no significant association between education and the factors influencing the use of online banking services.



Sources: Researcher Proposed Model

Research Methodology

Table .1

S.no	Methodology in the study	A Brief Draw Of Study
1	Research Type	Descriptive study
2	Sampling method	Convenient Sampling
3	Size of sample	100
4	Nature of respondents	ACCOUNT HOLDERS
5	Nature of data	Primary and secondary data
	Primary data	ACCOUNT HOLDERSOF DIFFERENT BANKS
	Secondary data	Journals, websites, books , discussion

		with students
6	Instrument used for research	Self designed Questionnaire
7	Analysis of Data collected	frequency and Percentage method is used for data Analysis

Source: Researcher own model

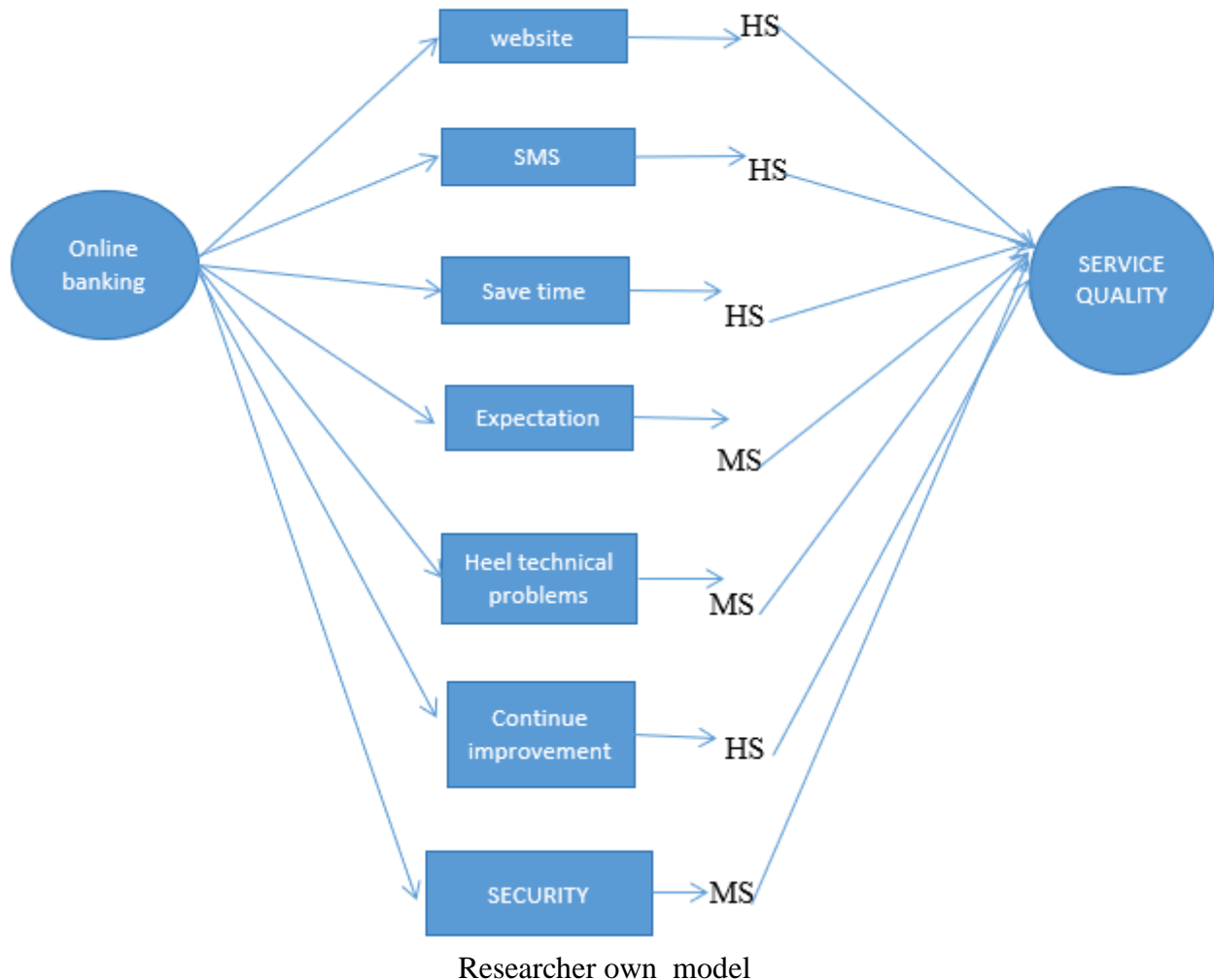
Data analysis

the main objectives of the study is to find out the customer satisfaction on online banking service which depends up on various determinate. The researcher used frequency and percentages tools for data analysis . The selected population are only account holders from the selected area of the study.

Table 2 Demographic profile of the Respondents

Elements	Frequency	Percentage
Male	38	36%
Female	58	64%
Age		
21 yrs. to 26 yrs.	49	49%
27 yrs. to 32 yrs.	30	30%
32 yrs to 38 yrs	18	18%
Education		
SSC	10	10%
Inter	28	28%
Under graduate	30	30%
Post graduate	16	16%
Professional course	10	10%
Occupation		
Employee	34	34%
Self-employee	20	20%
Business	12	12%
Marital status		
Signal	20	20%
Married	55	55%
Single parent	15	15%
Account type		
Saving Account	59	59%
Current Account	40	40%
Period of your account		
0-5 years	12	12%
5-8 years	15	15%
8-10years	43	43%
10 and above	30	30%
Often cards used by you		

All Over Satisfaction on service quality determinants



Finding of the study

1. In this study majority of respondent are female with (58%) and male with (38%) mainly the women respondents are very must interested in online banking services .
2. Majority of respondents are of teenagers with the age of 21 to 26 (49%) and second majority of 27 to 32 with(30%) this shows the teenagers and middle age peoples uses the online banking more.
3. Majority of customers had the education with under graduation with (30%) and the inter places the second highest with(28%).the respondents least with post graduate(16%) .
4. High percentage of respondent are employees with(34%) and self employee with (20%) .these employees are often uses the online services.
5. Most of the respondents are married with(55%) and unmarried with (20%).
6. Majority of respondents are having saving account with(59%) and most less respondents are with current account(40%).
7. Most of respondents are having more than 10 years of period with(45%) and least with (10%) of 5 years.

8. Majority of respondents are using debit card for their online banking with(63%) and least with credit card used with (47%).
9. 100% of the respondents are fully aware of the online-banking services.
10. Majority of respondent with(48%) are online-banking are used for payments of bills and with (35%) for shopping .lastly only 10% of respondents are using online banking for balance checking.
11. The usage of online banking every day is the highest percentage with(42%)when compared with weekly and most of the respondents uses the services three time in a week with(35%).
12. The respondents selected some of the reasons for going are comfort,easy to use,money less,with in no time the transaction are completed,responsiveness communication and accessibility are very much highly satisfied and moreover the confidence , security empathy also show moderately agree .so, here even it fast technology there is a fear of security .
13. The allover satisfaction of the customers mainly are continues improvement for quality service,easy to access the website, more on saving time is high factor of satisfied.

Conclusion:

The study found that majority of customers are satisfied with the services of the online services of banking sector.here the service quality and customer satisfaction are the both sides of the same coin.without the customers there is no services render,so the service provider should take at most proclivity to fill the gap between the expectation and receiving end. Satisfaction level are more in women when compared to men because they are using the online services for shopping without moving anywhere. Comfort level are increased and easy use of account on internet hence,the study concludes that there is no significant relationship between age and education to use these online services.

References

1. Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988), —SERVQUAL: A Multiple-Item Scale For Measuring Consumer Perceptions Of Service Quality, Journal Of Retailing, Spring, Volume 64, Number 1, pp. 12-40.
2. Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A Multiple-Item Scale For Measuring Consumer Perceptions Of Service Quality. Journal Of Retailing , Volume 64, Number 1, 12-40.
3. Pavlou, P. A. (2003) Consumer Acceptance of Electronic Commerce: Integrating Trust and Risk with the Technology Acceptance Model. International Journal of Electronic Commerce, Vol.7, No.3, 101-134.
4. Polatoglu, V.N., & Ekin, S. (2001). An empirical investigation of the Turkish consumers' acceptance of Internet banking services. International Journal of Bank Marketing, 19(4), 156-165.
5. Oliver, Richard, L. (1981). Measurement and Evaluation of Satisfaction Process in Retail Setting. Journal of Retailing, 57, (Fall), 25-48.
6. Parasuraman A. Zeithaml Valarie A. and Malhotra Arvind (2005) E-S-QUAL: A Multiple-Item Scale for Assessing Electronic Service Quality, Journal of Service Research, Volume 7, No. X, (Islam, Biswas, & Kumar, 2007)Month 2005 1-21
7. Parasuraman, A. Valarie A. Zeithaml, Leonard L. Berry (1985) A Conceptual Model of Service Quality and Its Implications for Future Research, The Journal of Marketing, Vol. 49, No. 4 (Autumn, 1985), pp. 41-50