

Customer Satisfaction on Internet Bank Services of State Bank of India in Thoothukudi

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Abstract:- In recent trend, the banking industry around the world has been undergoing a rapid transformation. The deepening of information technology has facilitated better tracking and fulfillment of commitments, multiple delivery channels for online customers and faster resolution of issues. In India too, the wave of deregulation in the early 1990s has created heightened competition and greater risks for banks and financial intermediaries. Internet banking has many advantages over other traditional banking delivery methods. Internet banking provides banks with an increased customer base, cost savings, mass customization, product innovations, improved marketing, and communication, the ability to develop non-core businesses, and the ability to offer services regardless of geography and time constraints. With the development of new technology, Internet banking is expected to become a major banking method for customers. Internet banking reduces costs by providing customers with another means of accessing their accounts without physically visiting a bank. Today, customers expect highest quality services from banks which, if fulfilled, could result in significantly improved customer satisfaction levels. This descriptive research study mainly focuses on investigating the customer satisfaction on Internet Bank Services of the State Bank of India in Thoothukudi district. Data were collected using questionnaires from 100 customers. Appropriate tools were used to find out the level of customer satisfaction on internet bank services of State Bank of India in Thoothukudi.

1. INTRODUCTION

In the world of banking, the development of information technology has an enormous effect on development of more flexible payments methods and more-user friendly banking services. Internet banking involves, consumer using the Internet to access their bank account and to undertake banking transactions.

Online banking or net banking is an outgrowth of personal banking. Daniel (1999)¹ defines electronic banking as the delivery of information and services by banks to customers via PC and mobile phone. Internet banking provides services like instant bill payments, online funds transfer, request for lost cards, cheques, top- up for pre-paid mobile cards, etc., thus removing geographical and time constraints at minimal costs (IAMAI, 2006)². Internet banking utilizes the Internet as the conveyance channel by which saving money action is performed, for instance, exchanging stores, paying bills, seeing and checking bank account balances, paying home loans, and buying monetary instruments and testaments of store.

An Internet banking client gets to his or her records from a program—programming that runs Internet keeping money programs inhabitant on the bank's World Wide Web server, not on the client's PC. Net Banker characterizes a genuine Internet bank as one that gives account balances and some value-based abilities to retail clients over the World Wide Web. Internet banks are otherwise called virtual, digital, net,

intelligent, or web banks. Many banks have shifted from the traditional arm chair banking to on line banking system, where customers can use self service channels such as automated teller machines (ATM) and internet to satisfy their financial needs. The main reason for this dramatic shift has been its perceived usefulness in terms of ease of transaction, security and privacy provided by online banking.

2. REVIEW OF LITERATURE

Ashima Tandon, Manisha Goel and Sunita Bishnoi (2016), in their study stated that Internet banking is regarded as a delivery channel, which over a period of time has gained recognition. With the help of internet banking the consumer has an access to number of services just at the click of a mouse. The study was based on the responses of 450 consumers surveyed in Delhi and National Capital Region to understand the consumer awareness towards internet banking and the respondents were selected from public, private and foreign sector banks. To achieve the objectives of the study a questionnaire with five-point Likert scale consisting of various aspects related to internet banking was designed and random sampling method was adopted to collect the responses. The results of the study indicate that the level of consumer awareness is higher in case of private and foreign sector banks in comparison to public sector banks. Public sector banks need to focus on their working in order to battle with the private and foreign sector banks.

Pallavi Mehta(2015), in their study revealed that new channels used to offer banking services will drive the growth of banking industry exponentially in the future by increasing productivity and acquiring new customers. The paper tried to find the usage frequency of customers and their satisfaction level with respect to online banking services offered by public and private banks in Udaipur city. Elangovan and Sabitha(2011), in their empirical study found that there is no significant difference in the level of satisfaction of the respondents belonging to different age, education and occupation except income.

Dharmalingam et al., (2011) stated that all the service quality attributes are positively correlated with customer satisfaction.

Gopalakrishnan et al. (2011) determined that Service quality and customer satisfaction had a direct positive effect on customer's retention intentions out of which Customer satisfaction is a stronger predictor for retention.

Kumbhar (2011) examined the relationship between service quality and customers' satisfaction as well as satisfaction in internet banking service provided by the public and private sector banks in India. Using stratified judgmental sampling, sample of 190 customers was obtained. Kruskal-Wallis, Chi Square tests, spearman's rho non-parametric correlation and Mann Whitney U test were performed. Results reveals that overall satisfaction of employees, businessmen and professionals are higher in internet banking service. Correlation test indicates that all dimensions are significantly correlated to overall customer satisfaction except responsiveness. Mann-Whitney U Test indicated that Private sector banks are providing better service quality of internet banking than public sector banks.

Mishra J.K. and Jain M. (2007) conducted two-stage factor analysis to find various dimensions of customer satisfaction in nationalized and private sector banks. The study analyzes ten factors and five dimensions of customer satisfaction for nationalized and private sector banks respectively.

Akinci et al. (2004) conducted a study to develop an understanding of consumers' attitudes and adoption of internet banking among sophisticated consumers. A demographic, attitudinal, and behavioral characteristic of internet banking users and non-users were examined. The findings of the study revealed that there exists a significant difference between the demographic profiles and attitudes of users and non-users.

3. NEED AND OBJECTIVES OF THE STUDY

Technology plays a vital role in improving the quality of services provided by the business units. In India, slowly but steadily, the Indian customer is moving towards Internet banking. But they are concerned about security and privacy of internet banking (Malhotra and Singh, 2009). In the Internet banking, trust plays a very important role. It is very difficult to analyze trust as a phenomenon and may be almost impossible to analyze trust in the context of electronic commerce because of the complexity and risk. In this paper, an attempt is made to find out the level of satisfaction among customers while using internet banking with special reference to SBI bank, Chidambaram Nagar branch, Thoothukudi. There are many forms of Internet Banking like Automated Teller Machine (ATM), Tele Banking, Smart Card, Debit Card, E-Cheques, etc. But here only Internet Banking is taken into consideration. The objectives of the study are:

1. To study about the socio economic factors influencing the level satisfaction of customers in using the internet banking services.
2. To find out the level of satisfaction of the customers using internet banking services.

4. HYPOTHESIS FORMULATED

1. There is no significant relationship between the educational qualification of the respondents and the level of satisfaction of the customers using internet banking.
2. There is no significant relationship between the occupation of the respondents and the level of satisfaction of customers using internet banking.
3. There is no significant relationship between occupation of the respondents and 'often use internet services', 'reason account with internet', 'purpose of using internet service' and 'benefit from internet services'.

5. RESEARCH METHODOLOGY

The present study adopts an analytical and descriptive research design. The data is collected through self administered questionnaire collected from the customers of the SBI bank Chidambaram Nagar branch. Statistical tool of Chi-square and regression analysis is used to analysis and interpret the results.

Time period of the study:

The study was conducted from the SBI bank Chidambaram Nagar, Thoothukudi from February 2018 to march 2018.

Tools used for the study:

The statistical tool used for testing the hypothesis is Chi-square and Regression analysis.

Sources of Data

This study is based on primary and secondary data. Primary data is collected using questionnaire and the secondary data is collected from websites and journals.

Sample size and sampling technique:

From the SBI Chidambaram Nagar branch, Thoothukudi , 100 respondents were selected for the study by using the convenient random sampling technique.

6. ANALYSIS AND INTERPRETATION

1. Chi-square Analysis:

a. Null Hypothesis: There is no significant relationship between the educational qualification of the respondents and the level of satisfaction of the customers using internet banking.

Table 1: Chi-square analysis between Educational qualification and the level of satisfaction

Factor	Value	Df	Significant value
	0.007	9	0.05

In table 1 chi-square analysis is done between the educational qualifications of the customers using internet

banking with their level of satisfaction. From the analysis it is concluded that calculated value 0.007 is less than the significant value at 0.05 levels. Hence the null hypothesis is rejected and concluded that there is a significant relationship between educational qualification and the level of satisfaction.

b. Null Hypothesis: There is no significant relationship between the occupation of the respondents and the level of satisfaction of the customers using internet banking.

Table 2: Chi-Square analysis between occupation and the level of satisfaction

Factor	Value	Df	Significant value
	0.005	9	0.05

In table 2 chi-square analysis is done between the occupations of the customers using internet banking with their level of satisfaction. From the analysis it is concluded that calculated value 0.005 is less than the significant value at 0.05 levels. Hence the null hypothesis is rejected and concluded that there is a significant relationship between occupation and the level of satisfaction.

2. Regression Analysis

Null Hypothesis: There is no relationship between occupation of the respondents and often use internet services, reason account with internet, purpose of using internet service, benefit from internet service

Model		Un standardized Coefficients		Standardized	t-value	Significant value
		B	Std. Error	Beta		
1	(Constant)	1.547	.424		3.646	.000
	often use internet services	.039	.081	.049	.485	.629
	reason account with internet	.166	.085	.197	1.958	.053
	main purpose of using internet service	.028	.079	.036	.352	.726
	benefit from internet	.049	.096	.052	.512	.610

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services					
Dependent Variable: Occupation					
Independent Variable: often use internet services, reason account with internet, main purpose of using internet service and benefit from internet services					
Multiple R: .211					
R square: .045					
Adjusted R square: .004					
F statistics (1.106) : .358					

*Significant at 5% level

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3$$

R square value (0.045) indicate the amount of variability explained by the independent variable for 4.5 percent of variance in the dependent variable and the remaining 95.5 percent is by some other unknown variable and problem is not taken into account. The value of f (1.106)=0.358(p<0.05) indicates that the model is statistically significant at 5 percent level of and ensures the regression fit. P=0.000.(p<0.05) shows that there is a statistically significant difference between the variables.

7. FINDINGS

1. There is a significant relationship between educational qualification and the level of satisfaction.
2. There is a significant relationship between occupation and the level of satisfaction.
3. There is significant relationship between occupation of the respondents and often use internet services, reason account with internet, purpose of using internet service, benefit from internet service.

8. SUGGESTIONS

1. Banks may carry out some awareness programs on internet facility provided by them to the customers and other general public.
2. Banks may ensure to protect the data and maintain the privacy of the customers using internet banking.
3. Separate grievance cells may be opened by the banks to resolve the problems faced by the customers in using internet banking.

8. CONCLUSION

benefit from internet serv

A linear equation is form

There are cases of customers who don't use internet banking services, having all facilities at their disposal, technology was not the biggest issue. The first thing that all banks should concern about is the requirement of awareness. Even though these people are inclined towards the manual banking, these can be turned to potential customers, it is well proven thing, which says the surrounding influences the individual's behavior or in India environment that surrounding influences the individual's behavior and the decisions of the individuals. So if consumer sees most of their colleagues or friends who surround him using internet banking then it may influence his decision to follow internet banking option.

This research paper aims make an original contribution to the existing knowledge by investigating the impact of internet banking service quality on customer satisfaction in SBI branch, Thoothukudi. The study revealed that there is a significant relationship between educational qualification and occupation with the level of satisfaction. The study also revealed that there is a significant relationship between occupation of the respondents and 'often use internet services', 'reason account with internet', 'purpose of using internet service' and 'benefit from internet service'.

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