A Study on Customer Satisfaction Towards Digital Banking Services offered by Public Sector Banks in Tiruchirappalli City

Dr.Y. Moydheen Sha
Assistant Professor
PG & Research Department of Commerce
Jamal Mohamed College (Autonomous)
Affiliated to Bharathidasan University
Tiruchirappalli, Tamilnadu, India

S.Srikanth
PG Student
PG & Research Department of Commerce
Jamal Mohamed College
Tiruchirappalli-20

Abstract

A research has been conducted to evaluate the satisfaction of customers with the digital services of the public sector banks in Tiruchirappalli City. Primary objectives comprise evaluating customer satisfaction, delving into the demographic association with customer satisfaction, and scrutinizing elements that alter the performance of digital banking services. Recommendations include making the branches sell the services on the digital platform. Utilizing descriptive research and simple random sampling, the findings are aimed at providing actionable insights and formal recommendations on improving services in the public sector banks and underpinning this program so that they will have a better performance in the provision of service on digital platforms.

Keywords: Public Sector Banks, Customer Satisfaction, Digital Banking Services, Digital Platforms.

I.INTRODUCTION

Digital banking services enable customers to perform financial transactions conveniently. Over time, public sector banks have adapted digital platforms to meet local user needs, offering secure, user-friendly, and efficient transaction systems.

Digital Banking - Meaning: Digital banking pertains to non-physical banking services that an individual could do through the Net often called Online banking. That comprises financial transactions done from peripheral devices and systems taking the place of traditional branches of banks.

Bank Customer - Meaning: A bank customer refers to an individual or organization that holds a bank account or maintains a relationship with a bank, regardless of whether they currently have an account.

Customer Satisfaction

Customer satisfaction reflects how pleased customers are with a company's products, services, and overall experience. It serves as an important metric for businesses to assess how effectively they fulfill customer needs and preferences.

Customer satisfaction in important, because,

- Customer loyalty
- Competitive edge
- Revenue growth

Objectives of the Study

- To identify the level of customer satisfaction by the usage of Digital banking services in public sector banks.
- To examine the factors influening the performance of Digital banking services.
- To determine the association between the demographic profile of customer and satisfaction with the use of digital banking services offered by public sector banks.

Review of Litreature

Pavithra&Geetha (2021), Rapid development of computer technology and increase in number of online users results in people using online banking but the banks are yet to satisfy the customers with their digital banking services.There is a need to create more awareness among the public about the digital platforms available in banking.

PranayS.Dhande et.al., (2022) This research attempts to study and understand the phenomenon of digital banking.

As the various countries and global institutions are promoting the growth and development of the digital banking for the benefit of the world.

This study also gives an overview of Digital banking's prospects such as economic transparency, new banking services for Gen-Z and various Banking trends, along with various constraints like lack of knowledge, cyber security ans host of others.

M.Ruban Jesu Adaikalam (2023) conducted a comprehensive study on "digital banking services of public sector banks in Tuticorin district, Tamil Nadu". Main focus of this study is to explore the awareness level of digital banking services among customers, and identify the performance and satisfaction levels on digital banking services offered by public sector banks. The study also tries to identifying the problem faced through digital banking. The study also provides suggestions to improvise better customer satisfaction.

Research Methodology

Sample Design: The study uses a simple random sampling method for sample selection. It is conducted among customers of digital banking services at various public sector banks in Tiruchirappalli City. Data were collected using a well-structured questionnaire with 30 items, distributed to 70 customers. Out of these, 50 valid response were obtained, resulting in a response rate of 71.42%. The sample size of 50 at a 95% confidence level and a confidence interval of $\pm5\%$. The sample Size 50 is above the calculated requirement thus ensuring feasibility.

Data Collection: The basis of this study is on both primary and secondary data. Primary, the data for the study were collected through structured questionnaire designed to achieve the objectives of the study. Secondary data was gathered from academic journals, bank reports, and relevant literature in aiding the primary data towards gaining a comprehensive understanding of the research topic.

Data Analysis: In the present study, the collected data were edited , coded and tabulated to make the study meaningful. Then data were interpreted and analysed to get the results for conclusions and recommendations.

The data so collected has been analysed with the help of cross Chi-square test, T-test, F-test, ANOVA test, factor analysis and techniques to fulfil the research objectives. These include percentage table, frequency table, and mean keeping in context with the objective of the study.

Limitations of the Study

This study focuses on public sector banks within the vicinity of Tiruchirappalli City, while excluding private and foreign banks. The information provided by the respondent might be biased, as few may not give accurate details. The focus is solely on the banking services, not external forces. The time is limited.

Statement of the Problem

In the present day of digital transformation, public sector banks turning to digital banking solutions for customer's greater ease and efficiency. However, the usage of these services has not been assessed in terms of customer satisfaction to a large extent. Hence, this study proposes to explore the factors that determine the satisfaction level of respondents with the digital banking services of public sector based banks. It is thus within the context of this research that the customer perceptions, service quality, ease of use, and even the general user experience of these digital platforms will be evaluated so as to improve them. Digital technology has dramatically transformed the nature of banking services in most parts of the world, including India. In Tiruchirappalli City, public sector banks have also taken to digital banking services as a way of enhancing customer convenience, efficiency and competitiveness. Nevertheless, the area of concern here is the customer satisfaction level for these digital services. Although the advantages exist, challenges and gaps in service quality, user experience, and accessibility are likely to affect the overall customer satisfaction.

Need and Importance of the Study

The study on customer satisfaction towards digital banking services offered by public sector banks is very important to understand the effectiveness and user experience of such services. In the wake of increasing reliance on digital banking, assessing customer satisfaction helps identify gaps and areas for improvement. This research provides valuable insights into customer perceptions, which can guide banks in enhancing service quality, boosting user adoption, and maintaining competitive advantage In the case of knowing customer needs and expectations, proper service delivery could increase customer loyalty, which generally grows the banking sector. It is crucial to policymakers and the bank management regarding decisions based on findings.

Data Interpretation and Summary.

Educational Qualification					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	6	12.0	12.0	12.0
	Graduate	16	32.0	32.0	44.0
	HSC	12	24.0	24.0	68.0
	Post Graduate	16	32.0	32.0	100.0
	Total	50	100.0	100.0	

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Educational Qualification * 5. Occupation * 6. Gross Monthly Income	50	100.0%	0	0.0%	50	100.0%

The analysis shows a diverse educational background: 12% diploma holders, 24% HSC, 32% graduates, and 32% postgraduates. Most respondents (68%) have qualifications above HSC, reflecting a well-educated sample for the study's objectives.

Educational Qualification * 5. OCCUPATION * 6. GROSS MONTHLY INCOME Cross Tabulation							
Count							
				5. Occupation			
6. Gross Monthly Income			Business	Employed	Professional	Student	Total
15000 To 25000	4. Educational Qualification	Diploma		2	0	0	2
		Graduate		1	1	2	4
		Hsc		3	0	0	3
		Post Graduate		0	1	1	2
	Total			6	2	3	11
25000 To 35000	4. Educational Qualification	Diploma		1		0	1
		Graduate		0		1	1
		Hsc		1		0	1
	Total			2		1	3
Above 35000	4. Educational Qualification	Diploma	0		0	1	1
		Graduate	1		0	0	1
		Hsc	2		0	1	3

		Post Graduate	1		1	0	2
	Total		4		1	2	7
Upto 15000	4. Educational Qualification	Diploma		2	0	0	2
		Graduate		2	1	7	10
		Hsc		2	0	3	5
		Post Graduate		1	0	11	12
	Total			7	1	21	29
Total	4. Educational Qualification	Diploma	0	5	0	1	6
		Graduate	1	3	2	10	16
		Hsc	2	6	0	4	12
		Post Graduate	1	1	2	12	16
	Total		4	15	4	27	50

The cross tabulation analysis reveals that the "Up to 15,000" income group has the highest respondents, mainly graduates and postgraduates. Higher income groups (25,000–35,000 and above) are dominated by postgraduates, primarily in business and professional roles. Graduates are well-represented across all income levels, while diploma holders are concentrated in lower-income categories, especially in business occupations.

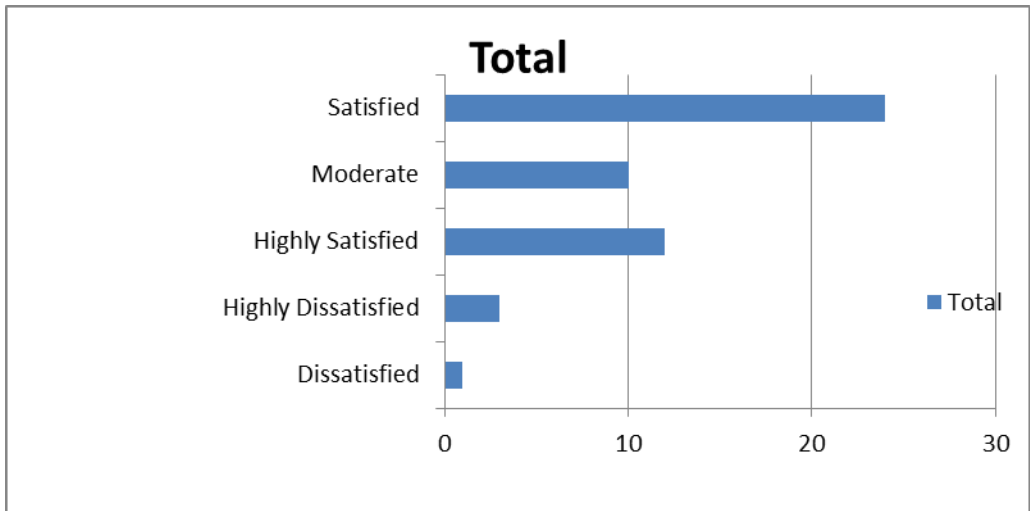| Chi-Square Tests				
6. GROSS MONTHLY INCOME		Value	df	Asymptotic Significance (2-sided)
15000 to 25000	Pearson Chi-Square	8.250[b]	6	.220
	Likelihood Ratio	10.798	6	.095
	N of Valid Cases	11		
25000 to 35000	Pearson Chi-Square	3.000[c]	2	.223
	Likelihood Ratio	3.819	2	.148
	N of Valid Cases	3		
Above 35000	Pearson Chi-Square	6.125[d]	6	.409
	Likelihood Ratio	6.788	6	.341
	N of Valid Cases	7		
Upto 15000	Pearson Chi-Square	10.679[e]	6	.099
	Likelihood Ratio	10.540	6	.104
	N of Valid Cases	29		

Total	Pearson Chi-Square	18.970[a]	9	.025
	Likelihood Ratio	20.505	9	.015
	N of Valid Cases	50		

a. 13 cells (81.3%) have expected count less than 5. The minimum expected count is .48.

b. 12 cells (100.0%) have expected count less than 5. The minimum expected count is .36.

c. 6 cells (100.0%) have expected count less than 5. The minimum expected count is .33.

d. 12 cells (100.0%) have expected count less than 5. The minimum expected count is .14.

e. 10 cells (83.3%) have expected count less than 5. The minimum expected count is .07.

The chi-square test did not show a significant relationship within the limits of individual income. Relatively, the even more significant covariance is between earnings which, education, occupation ($p = 0.025$). In 81.3% of cells, the number of expected counts can go down to limits that would question reliability.

	What Digital Banking Services Do You Use?
ATM / CDM	6
Internet Banking	8
Mobile Banking	12
Others	2
UPI	22
Grand Total	**50**

The survey data reveals that UPI is the most popular digital banking service with 22 users, followed by mobile banking (12 users). Internet banking has 8 users, while ATM/CDM usage is at 6, and other services account for 2. This highlights the shift toward mobile and digital payments.

	Overall Satisfaction Towards Digital Banking Services Offered by Public Sector Banks
Dissatisfied	1
Highly Dissatisfied	3
Highly Satisfied	12
Moderate	10
Satisfied	24
(blank)	
Grand Total	**50**

The survey on overall satisfaction towards digital banking services offered by public sector banks shows that 24 respondents are satisfied, 12 are highly satisfied, 10 are moderate, 1 is dissatisfied, and 3 are highly dissatisfied. The total number of respondents is 50, indicating a generally positive response.

Findings

1. Majority respondents are Male (60%)
2. The Majority of respondents have a gross monthly income of upto Rs.15000
3. A majority of respondents (25 users) are satisfied and 50 respondents are highly satisfied
4. The State Bank of India is the most commonly used public sector bank for digital banking services with 36% of respondents.

Scope for Further Research

Further research can compare customer satisfaction between public and private sector banks, explore long-term changes, and expand to other regions.

Researching external factors, customer segments, and specific service quality dimensions will give more depth.

The investigation of barriers to digital banking adoption, effective feedback mechanisms, and the impact of emerging technologies will help enhance service delivery.

These areas can be used to deliver a holistic insight into customer satisfaction and guide the public sector banks in enhancing digital banking service property.

II.CONCLUSION

Understanding customer satisfaction with digital banking service offered by public sector banks is important to enhance service quality and customer loyalty. This study gives valuable insights into customer perceptions that guide banks in improving their digital offerings and remaining competitive in the changing banking landscape.

III.REFERENCES

1. Ahamed, S. B., & Ali, E. M. THE IMPACT OF SOCIAL MEDIA ON CONSUMERSBUYING BEHAVIOUR. *Primax International Journal of Marketing (PIJM)*.

2. Ahmed, M. S. (2020). PREFERENCE AND SATISFACTION TOWARDS TWO WHEELERS WITH SPECIAL REFERENCE TO WOMEN CONSUMERS.

3. Ahmed, M. S., Badhusha, M. H. N., Siddiq, N. M., & Mohamed, I. A. Factors Influencing Consumers' Purchase Decision towards Online Shopping in Tiruchirappalli District.

4. G.T. Govindappa, Rural women entrepreneurship- Constraints and strategies, Kurukshetra, 48(2) (1999), 11-14.

5. Hakkeem, D. M. A., &Sha, Y. M. (2015). An empirical study towards customer satisfaction in internet banking services with special reference to Tiruchirappalli district. *IJSR-International Journal Of Scientific Research*, *4*(5).

6. Hakkeem, M. A., &Sha, Y. M. (2015). A study on customer satisfaction in internet banking with special reference to Tiruchirappalli district. International Journal of Marketing and Technology, 5(2), 72.

7. Khan, Y. R. (2020). Customers perference and satisfaction towards reliance-4 g jio services in Tiruchirappalli district. *Jamal Academic Research Journal: An Interdisciplinary*, *1*(1), 31-37.

8. K, V., & H, J. H. (2017). Gst- a biggest tax reforms in india : an overview. *Journal of Management and Science*, *7*(2), 250-253. https://doi.org/10.26524/jms.2017.33

9. K, V. K., & C, J. (2017). A comparative study of indiangst with canada model. *Journal of Management and Science*, *7*(2), 254-258. https://doi.org/10.26524/jms.2017.34

10. Khan, Y. R., Ahamed, S. R., Ahmed, M. S., Siddiq, N. M., Badhusha, M. H. N., & Mohamed, I. A. Examining Students' Perception of Online Education in Arts and Science Colleges: Perspectives on Personalized Learning and Emerging Educational Technologies.

11. Narsis, I. Net Banking Services and Customer Perceived Value.

12. Syed Ibrahim, A. A. A Study On Consumer Preference And Satisfaction Towards Instant Food Products With Reference To Karur District.

13. SADASIVAN, M. A., & VIJAYAKUMAR, K. SOCIAL PRESENCE INFLUENCE ON THE CONSUMERS ATTITUDE TOWARDS ONLINE SHOPPING.