



Acceptance, Experience and Satisfaction of Customers towards E-Banking Services

Gokul C¹, Kayalvizhi V², Lathikarajan R³

^{1,2,3}Department of Management Studies, Kumaraguru College of Technology Coimbatore, Tamil Nadu, INDIA

ABSTRACT

Internet banking is a form of self-service technology. The numbers of Internet users have increased dramatically, but most of them are reluctant to provide sensitive personal information to websites because they do not trust e-commerce security. This project investigates the factors which are affecting the acceptance, experience and satisfaction of E-banking services among customers and also indicates level of concern regarding security and privacy issues. Primary data was collected from respondents, through a structured questionnaire. Statistical analysis, descriptive statistics was used to explain profile of respondents and also Regression analyses were used to know trend of internet use and factors affecting e-banking services among customers. The finding depicts many factors like security & privacy, trust, innovativeness, familiarity, awareness level increase the acceptance, experience and satisfaction of E-banking services among customers. The finding shows that in spite of their security and privacy concern, adult customers are willing to adopt online banking if banks provide him necessary guidance. Based on the results of current study, Bank's managers would segment the market on the basis of age group and take their opinion and will provide them necessary guidance regarding use of online banking.

Keywords— E-banking, satisfaction

I. INTRODUCTION

With the current rapid developments in information and network technology, banks are undergoing unprecedented and global changes. The traditional banking business has been significantly, and inevitably, impacted by the rapid technological development. It had been seen that the business world remarkably went through with a great revolution which similarly occurred in developing country like India.

The Indian banking and financial sector has also welcomed this change. Today, more and more Indian banks are trying to differentiate themselves in a fiercely

competitive industry. Not only this helps them align their offerings to the constantly evolving customer needs and developments in technology, it also serves to replace some of traditional bank functions, thereby reducing significant overheads associated with bank branches.

As an increasing number of Indian banks look at the innovative ways, such as Online banking, to make a customer's banking experience more convenient, efficient, and effective, it becomes even more important to ascertain the customers' perception of the overall service quality and their satisfaction with the current online banking services. Measuring customer satisfaction can provide banks useful information about customer loyalty and retention, and also help them devise effective strategies to use efficient customer service as a distinguishing factor in this heavily customer-oriented service industry. It is a well-known fact that globalization and deregulations over the past decade or so, while helped banks expand their reach beyond countries and continents, have also made them highly competitive. It's getting increasingly difficult for these financial institutions to simply compete based on price. Banks are, therefore, looking at other ways, e.g. offering Internet banking services, to maximize profits as well as retain their loyal customer base. However, this cannot be accomplished without sufficiently high service quality, which when fulfills the constantly changing customer needs, results in improved customer satisfaction. Banks hope to capitalize on these customer satisfaction levels in order to strengthen the customer loyalty as well as expand their overall customer base. It's not surprising that customer satisfaction is rapidly developing into a key success factor from Online or Internet banking standpoint.

Customers' adoption, experience and satisfaction have been a popular topic in many researches. It can be an abstract and ambiguous concept, depending on the products or services focused on. It is undeniable that customers' acceptance, experience and satisfaction is important in all types of businesses as the most effective way to increase and maintain customer base is through

achieving high customer acceptance. In this study, a research on customers' adoption, experience and satisfaction will be conducted on online banking services provided by banks. This chapter introduces the online banking services, the benefits as well as the problems of using online banking service based on influencing factor such as ease of use, security and privacy, quality of internet connection, information, design. On top of that, theoretical frameworks, problem statement, research objectives, significance of the study as well as scope of study are also discussed in this research.

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Before initiating on "Acceptance, experience and satisfaction towards e-banking services" attempts has been made to summaries and synthesize the five most relevant concepts of the study viz. internet banking, customer acceptance, experience and satisfaction and problem in e-banking services. This topic summarizes the important dimensions that directly or indirectly measure the impact of internet banking on customer acceptance, experience and satisfaction and discuss about the problem is undergoing. These dimensions are- trust, service quality, perceived ease of use, perceived usefulness and commitment, security and privacy, information, design.

II. REVIEW OF LITERATURE

M. Mohamed Siddik & M. Selvachandra (2011) have said that the assets of the ICICI bank shows positive development over the period of time and there has not been very negative fluctuations have taken place during the last five years, it clearly indicates the financial stability of the bank. 85% of people want Sunday banking and 24/7 banking. The service charge levied by ICIC Bank was relatively high but still people are ready to pay it because of the service they provided. Physical facilities, Interest rate, working Hours, service charge, redressed of Complaints, Bank staff Attitude, Non-financial.[1]

Lakshmi Narayana K, Sri Hari V & Paramashivaiah (2013) conducted a study on exploring the main considerations that impact online customer satisfaction with the general administration nature of their banks. In the study they found that cost savings and other offers by bank is one of the main reason why people go for Internet Banking. They have concluded that Banking Needs, followed by Core Services, Problem Resolution, Cost

Saved, Convenience and Risk and Privacy Concerns were the major factors that strongly affect the overall satisfaction of online consumers. [2]

Karigoleshwar & Waghamare Shivaji (2013) carried out research to know how banks are delivering e-banking services using the advanced technology and to bring to the limelight the benefits associated with e-banking services and problems too. Here they also study about the age wise and profession wise customer who preferring E-banking. And also tried to study about the problems in internet banking. They concluded that E-banking service has become an accepted norm of monetary transactions for millions of users in India over the past decade and definitely, a right more to impart convenience to the customer as well as the bankers. And there is a huge reduction in time consumed in banking process by using E-banking. [3]

Hitesh Kapoor (2015) reveals that service quality like tangibility, reliability, responsiveness, assurance and empathy have shown more or less a great impact on customer satisfaction with internet banking services. It has been reported in the study that customers were satisfied with the internet banking services being rendered by their respective banks.[4]

Krishna Reddy & M.Sudhir Reddy (2015) reveals that more than 70% people have good perception about E-banking and are satisfied. There are some people who still don't use the E-banking service because less computer and internet knowledge. The bank should make necessary step to train them and to build up positive perception about Ebanking among the non E-banking users. [5]

III. OBJECTIVE OF THE STUDY

1. To investigate the level of customer's acceptance, experience and satisfaction towards e-banking services.
2. To identify the influence factors to determine the level of satisfaction of e-banking services.
3. To investigate the factors (ease of use, security and privacy, quality of internet connection, information, design, reliability, time, service) that plays important roles for the acceptance of Internet banking service.
4. To examine which of the identifiable variables can lead to a better acceptance of Internet banking service.
5. To give recommendations and suggestions on how to provide better acceptance of Internet banking service among customers.

IV. RESEARCH METHODOLOGY

- **Population of Study:** A total of 150 consumers from Coimbatore were surveyed for this research study.

- **Data Collection:** Primary data collection using the Google form.
- **Sample size:** 150
- **Period of Study:** March 2017 to April 2017.
- **Tools for the Analysis:** Anova, Correlation, Frequency Distribution.

V. DATA ANALYSIS & INTERPRETATION

A. Mann-Whitney Test Statistics for Acceptance, Experience And Satisfaction Level Of Customers Towards E-Banking Service Based On Gender.

Null hypothesis: There is no significant difference between the acceptance levels, experience and satisfaction of male and female customers.

Alternate hypothesis: There is significant difference between the acceptance levels, experience and satisfaction of male and female customers.

Table 1 Ranks

Ranks				
	Gender	N	Mean Rank	Sum of Ranks
CMAcc	Male	95	81.25	7719.00
	Female	55	65.56	3606.00
	Total	150		
CMexp	Male	95	74.28	7056.50
	Female	55	77.61	4268.50
	Total	150		
CMsat	Male	95	74.54	7081.50
	Female	55	77.15	4243.50
	Total	150		

Inference:

The table above is very useful because it indicates which group can be considered as having the higher acceptance, experience and satisfaction level, overall; namely, the group with the highest mean rank.

1. In acceptance case, the male group had the highest acceptance level.
2. In experience case, the female group had the highest experience level.
3. In satisfaction case, the female group had the highest satisfaction level.

B. KRUSKAL-WALLIS H TEST FOR SATISFACTION LEVEL AND AGE GROUP

Null hypothesis: There is no significant difference between satisfaction level of customers and different age groups.

Alternate hypothesis: There is significant difference between satisfaction level of customers and different age groups.

Table 1 Test Statistics
Test Statistics^{a,b}

	CMsat
Chi-Square	26.003
Df	15
Asymp. Sig.	.038

Inference:

A Kruskal-Wallis H test showed that there was a statistically significant difference in satisfaction level of customers between the different age groups, $\chi^2(2) = 26.003$, $p = 0.038$.

C. DESCRIPTIVE STATISTICS OF ACCEPTANCE LEVEL OF CUSTOMER TOWARDS E-BANKING SERVICES

Table 2 Descriptive Statistics

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
EasyQuicktransaction	150	1	5	2.33	1.339	1.792
TwentyfourbySevenService	150	1.00	5.00	2.2400	1.35943	1.848
Privacy	150	1.00	5.00	2.3067	1.37058	1.878
Security	150	1.00	5.00	2.3933	1.36050	1.851
Design	150	1.00	5.00	2.2067	1.03818	1.078
Content	150	1.00	5.00	2.3467	1.14098	1.302
FeesandCharges	150	1.00	5.00	2.3267	1.10822	1.228
Speed	150	1.00	5.00	2.3667	1.25541	1.576
UserFriendly	150	1.00	5.00	2.2533	1.29110	1.667
Trust	150	1.00	5.00	2.3400	1.30990	1.716
Valid N (listwise)	150					

Inference:

From the above table, all the ten factors are considered essential to measure the acceptance level of the e-bank services (as the mean value ranges between 2.2 and 2.4).

D. WILCOXON SIGNED-RANK TEST FOR MEASURING THE ACCEPTANCE AND EXPERIENCE LEVEL

Null hypothesis: There is no significant difference between the acceptance levels and experience level of customers.

Alternate hypothesis: There is significant difference between the acceptance levels, experience level of customers.

Table 3 Wilcoxon Signed Rank Test
Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles	
						25th	50th (Median)
CMAc	150	2.3107	1.10558	1.00	5.00	1.5000	2.1000
CMexp	150	1.8452	.51490	1.00	3.00	1.4444	1.8889

Inference:

The Ranks table provides some interesting data on the comparison of customer's acceptance and experience level. We can see from the table's legend that 88 customers had a higher acceptance level than experience level. However, 59 customers had a higher experience level and 3 customers saw no change in their acceptance and experience level.

E. REGRESSION BETWEEN THE SATISFACTION LEVEL AND ITS FACTORS

Null Hypothesis: There is no significant relationship between the overall satisfaction level of customer and the factors associated with it.

Alternate Hypothesis: There is significant relationship between the overall satisfaction level of customer and the factors associated with it.

Table 4 Model Summary
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.992 ^a	.985	.984	.07532

Inference:

This table provides the *R* and *R*² values. The *R* value represents the simple correlation and is 0.992, which indicates a high degree of correlation. The *R*² value indicates how much of the total variation in the dependent variable, "satisfaction", can be explained by the independent variables, i.e. influencing factors. In this case, 98.5% can be explained, which is very large.

Table 5 Anova
ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.619	6	8.770	1546.035	.000 ^b
	Residual	.811	143	.006		
	Total	53.430	149			

Inference:

This indicates the statistical significance of the regression model that was run. Here, $p < 0.000$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

VI. FINDINGS

- In acceptance case, the male group had the highest acceptance level.
- In experience case, the female group had the highest experience level.
- In satisfaction case, the female group had the highest satisfaction level.
- The customers derive overall satisfaction through three important factors viz., accuracy of banking records, secrecy of banking transaction and access to E-transaction.

VII. SUGGESTION

- Every bank should take precautions to keep customers' experience safe.
- Banks should provide more convenient internet banking services.
- Banks should ensure more customer awareness and transparency in their internet banking dealings.
- Banks should ensure that they provide three important factors viz., accuracy of banking records, secrecy of banking transaction and access to e-transaction for customer's overall satisfaction.
- In case of mobile banking and Tele-banking services, network problem and call time out respectively the banks should take measures to rectify it.
- The banks have to see to it that the expectations of the customers are fulfilled.

VII. CONCLUSION

The banks in the 21st Century use technology in expanding their activities and treat it as main focus. The banks in India are using Information Technology (IT) to improve their own internal processes and increase facilities and services to their customers. Efficient use of technology has facilitated accurate and timely management of the increased transaction volume of banks of that comes with larger customer base. By designing and offering simple, safe and secure technology, banks can reach at doorstep of customer with delight customer satisfaction.

Online banking is increasingly used by banks and other financial service providers to gain competitive advantages, operational efficiencies and direct marketing opportunities. It is important to reaffirm that Electronic banking is a new phenomenon. We have observed a major change from metal and paper money, to plastic cards, to smart cards, to online payments and fund transfers. The higher availability of a back action results in notably positive effects on usability. The rejected hypotheses could be subject to further research. By means of additional experiments, a modified test design could be assessed in

order to confirm or reject the first experiment's outcome. Every hypothesis has been tested with at least one task. Further research could also consist of a comparative study for the new platform generation.

In summary, it is quite clear that banking technology has emerged as a separate discipline in its own right. As regards future directions, the proliferating research in all fields of Technology and computer science can make steady inroads into banking technology because any new research idea in these disciplines can potentially have a great impact on banking technology. Users of e-banking can perform common banking tasks such as writing checks, paying bills, transferring funds, printing statements & balance inquiry etc. Internet banking has evolved into 'one stop service and information unit' that promises great benefits to all i.e. banks, consumers, citizens, employees and government. E Banking is poised to become most promising partner in e-governance process.

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