

Satisfaction of Customers towards User Friendly Technological Services offered by Public and Private Sector banks at Palayamkottai, Tirunelveli District

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Abstract

Due to advancement of technology, all the sectors induced in tremendous change with full fledged growth and development. Especially in services sector, In banking sector there were improvement in services in the name of Technological Banking Services which is user friendly system to all categories of people. Even though, it is advanced, there are so many problems occur, while using it. It is important to analyse the satisfaction of customers towards technological banking services because it is necessary for each and everyone's life. The major finding of the study is most of the respondents are satisfied in the factor analysed and few are

not satisfied regarding the grievance and behavior of employees working in the bank. Here this study is to analyse and discuss whether really the users get satisfaction regarding the services. It is will be very much useful to bankers as well as the customers.

Keywords: Customers satisfaction, technological banking services, user-friendly technology

Introduction

The banking system which constitutes, the core of the financial sector plays a critical role in transmitting monetary policy impulses

to the entire economic system. Money and Finance is an important and necessary factor for economic development. Though finance is a means of substitute for real resources, it has a crucial role in the economic development of the country.

The segment of capital and money market dealing with lending and borrowing of funds, essentially for short-term purpose, is represented by commercial banking institutions. Commercial banks act as financial intermediaries, i.e. intermediaries of saving and investment. Saving intermediations are a process by which flow of saving to the community by allocating the financial investment for the development of economy. Banking Industry is the blood vascular system of our economy. It has a positive role to play in the economic development of the country as depositories of people's savings and purveyors of credit, especially for the success of economic development depends on the mobilization of the resources and

their investment in appropriate manner.

The performance of bank is completely linked the growth of the economy while the nature and quantum of growth is in turn linked to the availability of bank credit. The structure of the Indian Banking System has undergone numerous changes since independence.

Nowadays all the people are having account in the bank for various purposes like safety, salary account, for getting loan and for earning through deposits. To attract the customers, banks provided various services to retain their customers and to attract new customers in this competitive world because there is a lot of classification in banks (i.e) Public, Private, Foreign and Competitive banks. The satisfaction level of the customers are taken into consideration keenly otherwise the customers easily switch over to another bank or having account with dissatisfaction. So, it is necessary to

study the customer's satisfaction towards the user friendly banking services offered by the banks.

Scope of the study

The present study is primarily designed to study the "Satisfaction of Customers towards User Friendly Technological Services offered by Public and Private Sector banks at Palayamkottai, Tirunelveli District". Banks play a vital role in the economic development of our country. This study included the vast analysis about the User's satisfaction towards User Friendly Technology available in Public and Private Sector banks. It helps the customers to update their technical knowledge to access the technological banking services which are offers by various banks.

Objectives of the study

The following are the objectives focused in this study

- ❖ To study the User Friendly Technological Services available in banking sector.

- ❖ To analyse the satisfaction level of the customers while using technological banking.
- ❖ To findout the relationship between type of bank and overall satisfaction of the respondents regarding technological banking services.
- ❖ To offer suggestions to improve the usage of User Friendly Technological services available in Banking Sector.

Hypotheses of the study

Ho: There is no significant association between type of bank and overall satisfaction of the respondents regarding technological banking services.

Methodology

A preliminary study was conducted to find the source of information. Primary data were collected from the customers of various groups by monitoring

questionnaire. The relevant secondary data were collected from different sources such as books, journals and websites etc.

Primary Data

Primary Data was collected by using questionnaire under simple random sampling method. 600 samples were selected from various Public Sector Banks like State Bank of India, Indian Bank and Indian Overseas Bank and Private sector banks like ICICI, HDFC, Karur Vysya Bank at Palayamkottai in Tirunelveli City. The respondents are equally taken 300 respondents each from Public Sector banks and Private Sector Banks. The method of allocation is given in below table.

| Name of Bank | No. of Respondents |
|----------------------|--------------------|
| State Bank of India | 100 |
| Indian Bank | 100 |
| Indian Overseas Bank | 100 |
| *ICICI | 100 |
| **HDFC | 100 |
| Karur Vysya Bank | 100 |
| Total | 600 |

*Industrial Credit and Investment Corporation

** Housing Development Finance Corporation

Secondary Data

Secondary data were collected from internet, books, journals, magazines and newspapers.

Statistical Tools of Analysis

To make the present research study highly effective, the following statistical techniques were used for the analysis and interpretation of data i.e. mean, standard deviation, likert's five point scale and chi-square. The collected information was presented in a master table and then in separate table with a fine output result.

Limitation of the Study

The following are the limitations of the study

- ❖ Present study is mainly based on primary data and hence possibility of sampling error is inevitable.
- ❖ The study covers only 3 public sector banks and 3 private sector banks study area.
- ❖ Due to uniqueness of human beings, it might not applicable to all other users.

Review of literature

Jajoo Rupa Dwarkadas(2011)¹ this study indicate the consumer perspective towards credit card. The demand for credit cards is growing over time. The number was on 31st march 2009 stood at around 11 million while debit cards were at more than 20 million the distribution has increased with local banks becoming more aggressive. The sample size is 200 from Nanded city in Maharashtra. Then the comparative analysis is done

¹ Jajoo Rupa Dwarkadas(2011) “consumer perspective towards credit card” .international referred research journal, vol- I, pp 23-25.

in order to determine perceptions of credit card services provided by SBI and ICICI bank. 59 percent were males and 41 percent were females. It shows that majority of credit card users were males.

Prema.C (2011)² indicates that consumers’ adoption and perceived characteristics of internet banking. The following characteristics are included voluntariness, perceived usefulness, convenience, compatibility, easy to use, visibility, trial ability, security, privacy, risk, reliability in the perceived attributes.

Bindiya Tater, Manish Tanwar, and Krishna Murari (2011)³ this paper explores the perception of Indian customers towards the use of technologies. It is reflected from the survey that ATM banking remains the

² Prema.C (2011) “a framework for understanding consumer perceived characteristics of internet banking as predictors of its adoption”, Indian journal of marketing ,pp46-52.

³ Bindiya Tater, Manish Tanwar, and Krishna Murari(2011) “customer adoption of banking technology in private banks of India” The International Journal of Banking and Finance, Volume 8 , pp 73-88.

most popular banking service among customers after branch banking, mobile banking and internet banking respectively as they provide convenience, privacy, security, ease of use, real time accessibility, and accurate record of various transaction. Kruskal Wallis test applied to the data collected ensures that customer's usage of different banking services is same for all the banks. From these, it is clear that there is no significant difference between ATM banking, branch banking, mobile banking and internet banking services provided by different private banks to the customers. There is a relation between benefits of banking services and increasing banking technology adoption.

M.Dhanabhakya, Anita.s. Nayak (2011)⁴ the paper explore the service quality of internet banking operative in Coimbatore from customers perspective. It observed that customer s are satisfied with the

reliability of the services provided by the banks but are not very much satisfied with the dimension 'user friendliness'. a seven dimension model using regression analysis is developed for measuring the overall service quality of internet banking. The result indicates that the two dimensions, viz. privacy and security and 'fulfillment' are not contributing significantly towards the overall a service quality. This is an implication that the customer feel that bankers fail in providing the services on these two dimensions satisfactorily.

Data analysis and interpretation

Analysis of demographic profile is very important. Here are some selected important demographic profile are analysed. They are as follows

⁴ .M.Dhanabhakya, Anita.s.Nayak(2011) "Service Quality Of Internet Banking" Southern economist, Aug 15 2011,pp19-24

Table - 1

| Gender - Wise classification of respondents | | | |
|--|-----------------------------|--------------------|----------------|
| S.No | Gender | No. of Respondents | Percentage (%) |
| 1 | Male | 483 | 80.5 |
| 2 | Female | 117 | 19.5 |
| | Total | 600 | 100 |
| Age-Wise classification of respondents | | | |
| S.No | Age(in years) | No. of Respondents | Percentage (%) |
| 1 | Below 25 | 77 | 12.8 |
| 2 | 25-35 | 123 | 20.8 |
| 3 | 36-45 | 241 | 40.2 |
| 4 | 46-55 | 102 | 16.7 |
| 5 | Above 55 | 57 | 9.5 |
| | Total | 600 | 100 |
| Marital Status - Wise classification of respondents | | | |
| S.No | Marital Status | No. of Respondents | Percentage (%) |
| 1 | Married | 491 | 80.2 |
| 2 | Unmarried | 92 | 3.2 |
| 3 | Widow | 17 | 16.7 |
| | Total | 600 | 100 |
| Qualification- Wise classification of respondents | | | |
| S.No | Qualification | No. of respondents | Percentage (%) |
| 1 | Below 12 th | 19 | 3.2 |
| 2 | Graduates | 203 | 33.8 |
| 3 | Post Graduates | 181 | 30.2 |
| 4 | Technical | 91 | 15.2 |
| 5 | Professionals | 106 | 17.7 |
| | Total | 600 | 100 |
| Occupation -Wise classification of respondents | | | |
| S.no | Occupation | No. of Respondents | Percentage (%) |
| 1 | Salaried (Govt/Pvt.) | 197 | 32.8 |
| 2 | Professionals | 156 | 26.0 |
| 3 | Businessmen | 181 | 30.2 |
| 4 | Agriculturalist | 11 | 1.8 |
| 5 | Student | 55 | 9.2 |
| | Total | 600 | 100 |
| Monthly Income -Wise classification of respondents | | | |
| S.no | Monthly Income | No. of Respondents | Percentage (%) |
| 1 | Below Rs.10000 | 54 | 9.0 |
| 2 | Rs.10001-20000 | 281 | 46.8 |
| 3 | Rs.20001-30000 | 117 | 19.5 |
| 4 | Rs.30001-40000 | 61 | 10.2 |
| 5 | Above Rs.40000 | 87 | 14.5 |
| | Total | 600 | 100 |

The above table 1 shows that 80.5 percent of the respondents are male and remaining 19.5 percent of the respondents are female. It describes that majority of the respondents are male. Most of the respondents (40.2 percent) are belonging to the age group of 36-45 years. It is found that a vast majority of the respondents (80.2 percent) are married. Most of the

respondents (33.8 percent) are Graduates. It is observed that 32.8 percent of the respondents are Salaried (Govt. /Pvt. It shows that salaried people are more having saving habit and using most of the services provided by the banks. It is found that, 46.8 percent of the respondents are earning Rs. 10001-20000.

Table -2:Satisfaction level of technological banking

| Particulars | Highly Satisfied | Satisfied | Partly Satisfied | Dis Satisfied | Highly Dis satisfied | Total |
|-------------------------------|------------------|-----------|------------------|---------------|----------------------|-------|
| Facilities | 540 | 45 | 15 | 0 | 0 | 600 |
| Convenience | 554 | 30 | 16 | 0 | 0 | 600 |
| Ease of Use | 413 | 77 | 58 | 39 | 13 | 600 |
| Cost Savings | 199 | 249 | 98 | 9 | 0 | 600 |
| Time Savings | 468 | 83 | 49 | 0 | 0 | 600 |
| Employee behavior | 116 | 228 | 247 | 9 | 0 | 600 |
| Grievance redressed Mechanism | 178 | 332 | 66 | 24 | 0 | 600 |
| Use of latest technology | 475 | 77 | 48 | 0 | 0 | 600 |
| Secure & security | 169 | 351 | 74 | 6 | 0 | 600 |

Source: Primary Data

According to the above table, vast majority of the customer feel satisfaction but very few customers feel dissatisfaction in few services. Here, in the case of easy

of usage, there are 39 users are dissatisfied and 13 users are highly dissatisfied. That means, using of technical banking is not familiar and feel difficult. In some cases,

employee’s behaviour also not in decent and concern manner, 9 users feel dissatisfaction. Grievance redressed mechanism is also not functioning in the right way.

Table - 3 Ranking of Satisfaction level of technological banking

| Particulars | Highly Satisfied | Satisfied | Partly Satisfied | Dis Satisfied | Highly Dis Satisfied | Total | Mean Score | Rank |
|-------------------------------|------------------|-----------|------------------|---------------|----------------------|-------|------------|------|
| Facilities | 2700 | 180 | 45 | 0 | 0 | 2925 | 4.88 | II |
| Convenience | 2770 | 120 | 48 | 0 | 0 | 2938 | 4.90 | I |
| Ease of Use | 2065 | 308 | 174 | 78 | 13 | 2638 | 4.39 | V |
| Cost Savings | 995 | 996 | 294 | 18 | 0 | 2303 | 3.84 | VIII |
| Time Savings | 2340 | 332 | 147 | 0 | 0 | 2819 | 4.69 | IV |
| Employee behavior | 580 | 912 | 741 | 0 | 0 | 2233 | 3.72 | IX |
| Grievance redressed Mechanism | 890 | 1328 | 198 | 48 | 0 | 2464 | 4.11 | VII |
| Use of latest technology | 2375 | 308 | 144 | 0 | 0 | 2827 | 4.71 | III |
| Secure & security | 845 | 1404 | 222 | 12 | 0 | 2483 | 4.14 | VI |

Source: Primary Data

Table 3 reveals that the respondents are highly satisfied about the services provided in technological banking services due to convenience and more facilities available in the technological banking, they are highly satisfied.

At the same they are highly dissatisfied about the employee behaviour. It signifies that the due to this dissatisfied of the employee behaviour may leads to prefer technological banking services.

Table-4 Type of bank and overall satisfaction.

| Type of bank | Overall satisfaction | | | | | Total |
|--------------|----------------------|------------|------------|--------------|---------------------|------------|
| | Highly satisfied | Satisfied | Neutral | Dissatisfied | Highly dissatisfied | |
| Public | 108 | 67 | 77 | 38 | 10 | 300 |
| Private | 133 | 79 | 34 | 41 | 13 | 300 |
| Total | 241 | 146 | 111 | 79 | 23 | 600 |

Source: Primary Data

H₀ There is no significant association between the types of bank and overall satisfaction.

H₁ There is significant association between the types of bank and overall satisfaction.

Statistical inference

| | | | |
|--------|----|-------|-------------|
| X | df | p | P > 0.05 |
| 20.743 | 4 | 0.347 | significant |

In the above table the observed value of chi square is 20.743 and the corresponding significant value (p) is 0.347 less than 0.05, there is a significant association between type of bank and overall satisfaction towards user friendly services. Hence the null hypothesis is rejected and alternative hypothesis is accepted.

Findings, Suggestions & Conclusion

Findings

❖ 80.5 percent of the respondents are male and remaining 19.5 percent of the respondents are female. It describes that majority of the respondents are male. Most of the respondents (40.2 percent) are belonging to the age group of 36-45 years. It is found that a vast majority of the respondents (80.2 percent) are married. Most of the respondents (33.8 percent) are

Graduates. It is observed that 32.8 percent of the respondents are Salaried (Govt. /Pvt. It shows that salaried people are more having saving habit and using most of the services provided by the banks. It is found that, 46.8 percent of the respondents are earning Rs. 10001-20000.

- ❖ A vast majority of the customer feels satisfaction but very few customers feel dissatisfaction in few services. Here, in the case of easy of usage, there are 39 users are dissatisfied and 13 users are highly dissatisfied. That means, using of technical banking is not familiar and feel difficult. In some cases, employee's behaviour also not in decent and concern manner, 9 users feel dissatisfaction. Grievance redressed mechanism is also not functioning in the right way.
- ❖ Most of the respondents are highly satisfied about the services provided in technological banking services

due to convenience and more facilities available in the technological banking, they are highly satisfied. At the same they are highly dissatisfied about the employee behaviour. It signifies that the due to this dissatisfied of the employee behaviour also they prefer technological banking services.

- ❖ There is a significant association between type of bank and overall satisfaction towards user friendly services.

Suggestions

The following are the suggestion recommended to the banks to improve their technological banking services.

- ❖ The employees in banks should undergo proper psychological training to manage their customer's efficiently.
- ❖ The security and safety in access the ATM, Mobile Banking, Internet Banking has to be keenly noted.
- ❖ Make use of the technology much easier.

- ❖ The thumb impression is used as a PIN code or Password for Internet Banking to avoid hacker's money theft in technological banking.
- ❖ There should be proper guidance to the customer in using latest technology through pamphlets, notices, instruction notice boards inside the branch, note books which denotes all the instructions and guidance to how to use are to be sending to the customers periodically.
- ❖ Bankers have to take necessary steps to solve the complaints as early as possible.
- ❖ A banker has to arrange facilities to solve their problems by themselves through online itself.
- ❖ Research and studies are conducted frequently to understand the expectation of the customers.

Conclusion

The study on the User's satisfaction towards user friendly technology in banking sector reveals

that respondents are satisfied in some aspects and they want to continue in their respective banks. The shift from cutomerised service to personalized services is highly essential to satisfy all groups of customers. The findings of the study, stresses upon the importance of the security and safety expected by the customers in technological banking. The future of Internet banking lies in offering personalized Internet based services that are not only valued by their customers but are also unique to them. This would help distinguish themselves in the crowd. This would also help them to evolve continuously to meet customers' needs, capitalizing on new technology to build stronger customer relationship.

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