

CUSTOMER SATISFACTION TOWARDS E-BANKING SERVICES WITH REFERENCE TO ICICI BANK

Dr.P.KANAGARAJU

Assistant Professor and Research Advisor, PG and Research Department of Commerce,
Thanthai Hans Roever College (Autonomous),
Perambalur-621 220, Tamil Nadu.

G.BALAMURUGAN

PH.D Research Scholar, PG and Research Department of Commerce,
Thanthai Hans Roever College(Autonomous), Perambalur-621 220, Tamil Nadu Affiliated to
Bharathidasan University, Tiruchirappalli, Tamil Nadu.

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ABSTRACT

Indian banks are trying to make your life easier. Not just bill payment, you can make investments, shop or buy tickets and plan a holiday at your fingertips. In fact, sources from ICICI Bank tell us, "Our Internet banking base has been growing at an exponential pace over the last few years. Currently around 78 percent of the bank's customer base is registered for Internet banking." To get started, all you need is a computer with a modem or other dial-up device, a checking account with a bank that offers online service and the patience to complete about a one-page application- which can usually be done online.

Key words: customers, satisfaction, ICICI bank.

INTRODUCTION:

E-banking is defined as the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels. E-banking includes the systems that enable financial institution customers, individuals or businesses, to access accounts, transact business, or obtain information on financial products and services through a public or private network, including the Internet. Customers access e-banking services using an intelligent electronic device, such as a personal computer (PC), personal digital assistant (PDA), automated teller

machine (ATM), kiosk, or Touch Tone telephone. While the risks and controls are similar for the various e-banking access channels, this booklet focuses specifically on Internet-based services due to the Internet's widely accessible public network. Accordingly, this booklet begins with a discussion of the two primary types of Internet websites: informational and transactional.

E-banking can be offered in two main ways. First, an existing bank with physical offices can also establish an online site and offer e-banking services to its customers in addition to the regular channel. For example, Citibank is a leader in e-banking, offering walk-in, face-to-face banking at its branches throughout many parts of the world as well as e-banking services through the World Wide Web. Citibank customers can access their bank accounts through the Internet, and in addition to the core e-banking services such as account balance inquiry, funds transfer, and electronic bill payment, Citibank also provides premium services including financial calculators, online stock quotes, brokerage services, and insurance.

STATEMENT OF THE PROBLEM:

India's handset market, one of the largest in the world, continues to grow strongly every year. Back in the early 2000s, mobile phones were typically only found in key urban centers and primary cities due to the low number of models in the market, high handset costs, expensive tariffs and limited network coverage. The situation has changed over the past few years with the entry of more global brands and the emergence of homegrown manufacturers in the handset market. Wider availability of more affordable handsets, including Smartphone's, and significantly lower call rates has catalyzed growth in the market, most notably in rural areas. Competition within the crowded market is intense with more than 50 device manufacturers now selling their products. Foreign mobile market is making use of the brand name to steal Indian mobile market brand though low price module, high end latest features and many such. Students are the key -player in mobile market, hence their preference towards market needs thorough study. Worldwide Smartphone market grew at a robust CAGR (compound annual growth rate) of 31.6% during 2011-2015 due to increased preference of consumers for advanced phones, increased penetration of low-cost devices (sub-\$125) in the emerging markets and ongoing replacements in the mature markets.

NEED FOR THE STUDY

One has to approach the branch in person, to withdraw cash or deposit a cheque or request a statement of accounts. In true Internet banking, any inquiry or transaction is processed online without any reference to the branch (anywhere banking) at any

time. Providing Internet banking's increasingly becoming a "need to have" than a "nice to have" service. The net banking, thus, now is more of a norm rather than an exception in many developed countries due to the fact that it is the cheapest way of providing banking services. Banks have traditionally been in the reform of harnessing technology to improve their products, services and efficiency.

OBJECTIVES OF THE STUDY:

- To study about the factors that affects the customer perception towards e-banking of ICICI bank.
- To know about the satisfaction level of customer towards e-banking services.
- To find out the major problems faced by the customers while using e- banking services.

REVIEW OF LITERATURE

Singh and Malhotra (2007) made an attempt to discover factors affecting a bank's decision to adopt internet banking in India. The study was based on 88 banks comprising of public, private and foreign banks covering financial years from 1997 to 2005. The results of the study showed that large banks having high fixed expenses, high income and expenditure tend to use more technology. Banks had used internet banking as complementary channel to existing branch network. However, the private and foreign banks were quick adopter to internet banking than public sector banks. The adoption of this innovation by other banks increases the probability that a decision to adapt will be made as it has increased the profitability and productivity of banks.

Suresh (2008) highlighted that recently developed e-banking technology had created unpredicted opportunities for the banks to organize their financial products, profits, service delivery and marketing. The objectives of the study were to evaluate the difference between traditional and e-banking, and to identify the core capabilities for the best use of e-banking. The author analyzed that e-banking will be an innovation if it preserved both business model and technology knowledge, and disruptive if it destroys both the model and knowledge. He also differentiated e-banking from traditional banking in five ways, namely, value proportion, market scope, cost structure, profit potential and value network.

Manoharan (2007) highlighted the e-payment system in India and its performance impact on Indian banking sector. The author described that competition in banking industry had forced the banks to rethink the way they operate their business. So, e-banking has made it possible to find alternate

banking practices. In the paper, the author divided the payment system in India into three parts, i.e., large value payment system, retail payment system, and retail electronic system. Each one includes different categories of e-payment. The author studied the performance of various Indian payment systems in the last three years in which RTGS emerged as the principal payment system in India for wholesale payment. The study focused that having a huge opportunity of e-payment system in India still 90 per cent of transactions were cash based. So, an effort should be made to increase the use of e-payment, and RBI should make efforts to strengthen the legal framework of electronic banking system.

DATA COLLECTION:

Primary data refers to the data, which is collected for the first time. The primary data collection was done with the help of questionnaire method.

Secondary data refers to the study made by others for their own purposes. It was collected from books, journals, magazines and websites.

TOOLS USED FOR DATA COLLECTION:

The required data for this analysis were gathered by adopting questionnaire method. Simple percentage analysis were admired in all questions were ever required and multiple regression analysis were used for satisfaction.

SAMPLE SIZE:

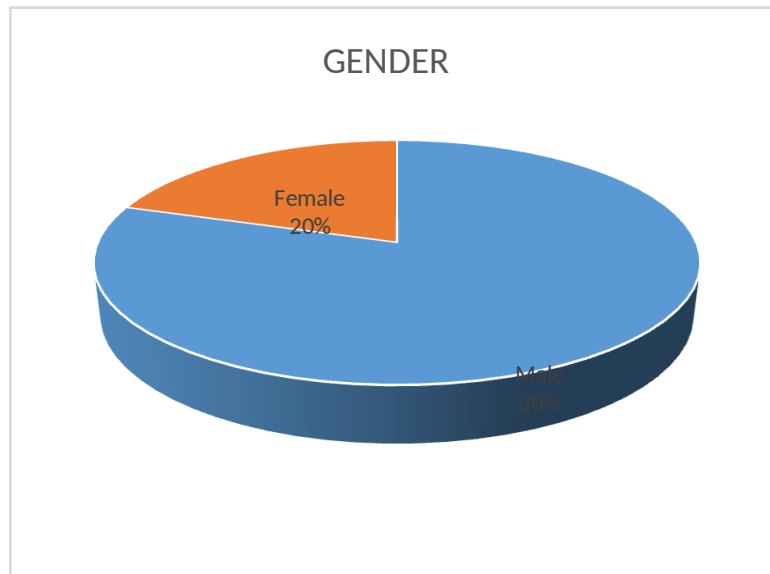
In this research project Descriptive research design is used. Judgment and Convenience sampling method will be used to get the information about online banking. This method is used because we are interested in exploring gender, age, or occupation disparities in terms of online banking in the population. For conducting this research, a structured questionnaire is prepared and sample of 50 customers is taken from ICICI bank.

NEED OF THE STUDY:

Satisfaction is the customer's fulfillment response. It is a judgment that a product or a service feature, or the product or service itself, provides a pleasurable level of consumption – related, fulfillment. In minimal technical terms, this definition can be translated to mean that satisfaction is the customers evaluation of a product or service in It is also important to recognize that, to measure the customer satisfaction at a particular point of time as if it were static, satisfaction is a dynamic, moving target that may evolve over the time, influenced by a variety of factors. Particularly when product usage or the service experience takes place over the time, Satisfaction may be highly variable depending on which point the usage or experience cycle is focused on.

ANALYSIS AND INTERPRETATION

GENDER OF THE RESPONDENT

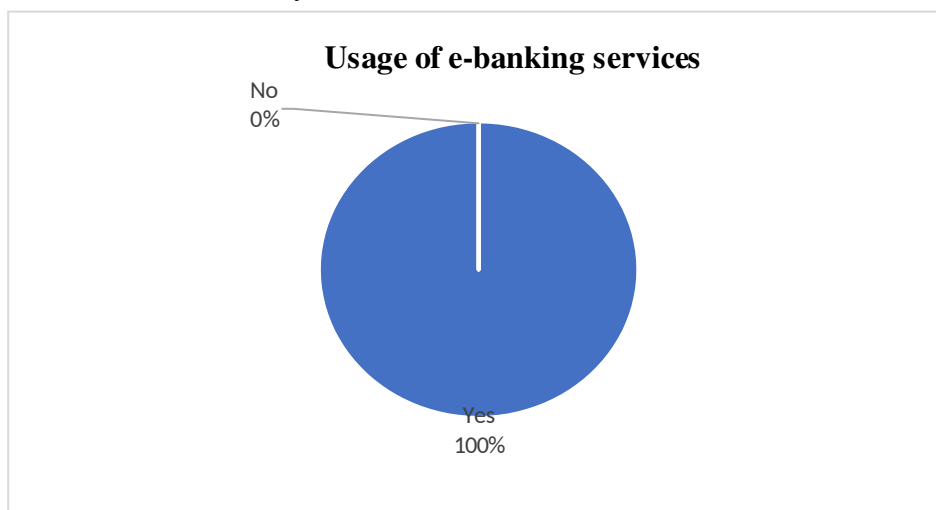


Source: Primary data

The result shows that among the sample size of 50 respondents, 40 of them are male and 10 female who were using e-banking services. This shows e-banking services are mainly used by men as they are the people who work as employees and doing business in various fields more than females.

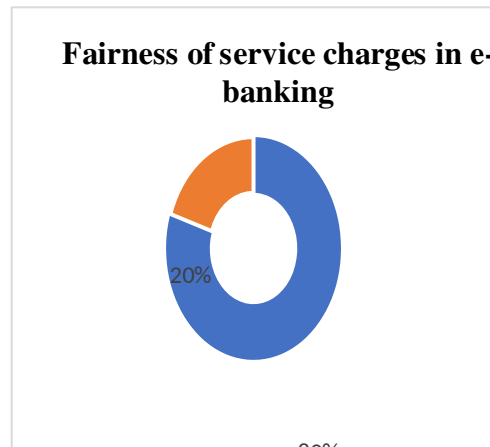
USAGE OF E-BANKING SERVICES

Source: Primary data



The result shows that all the 50 respondents are using e-banking services this shows how e-banking is popular among people in current generation

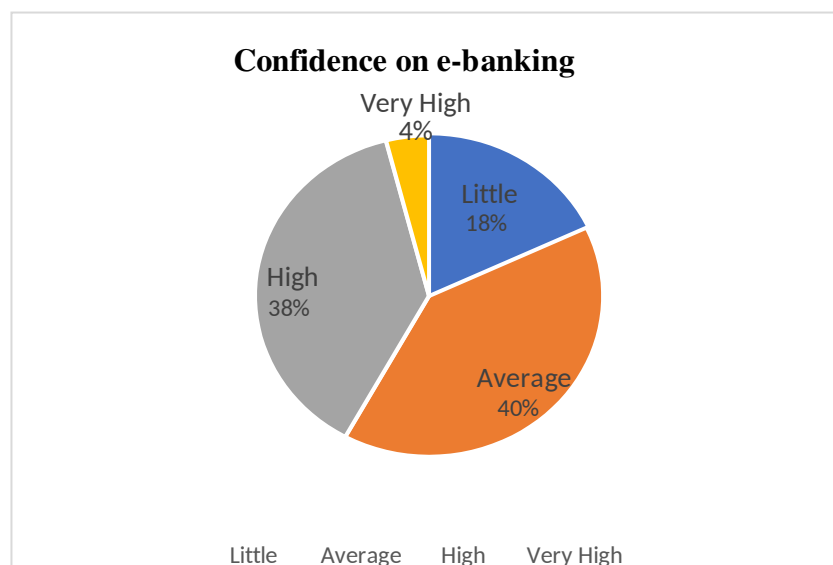
FAIRNESS OF SERVICE CHARGES IN E-BANKING



Source: Primary data

The result shows that majority of respondents are satisfied with the service charges for Internet banking .Only 20% of respondents are not satisfied with the charges , it is not fair in their point of view.

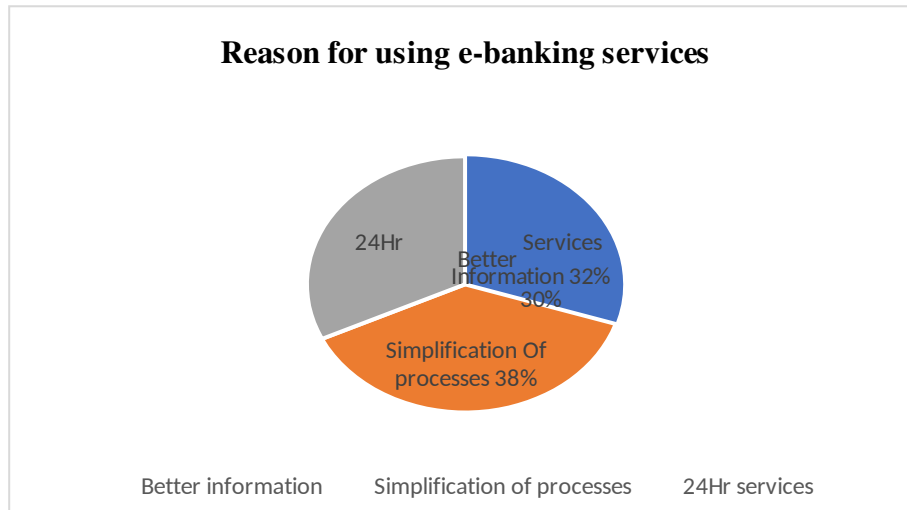
LEVEL OF CONFIDENCE ON E-BANKING SERVICES



Source: Primary data

The result shows that 40% of respondents has an average confidence in e-banking, closely followed by 38% of respondents having high confidence in this service.

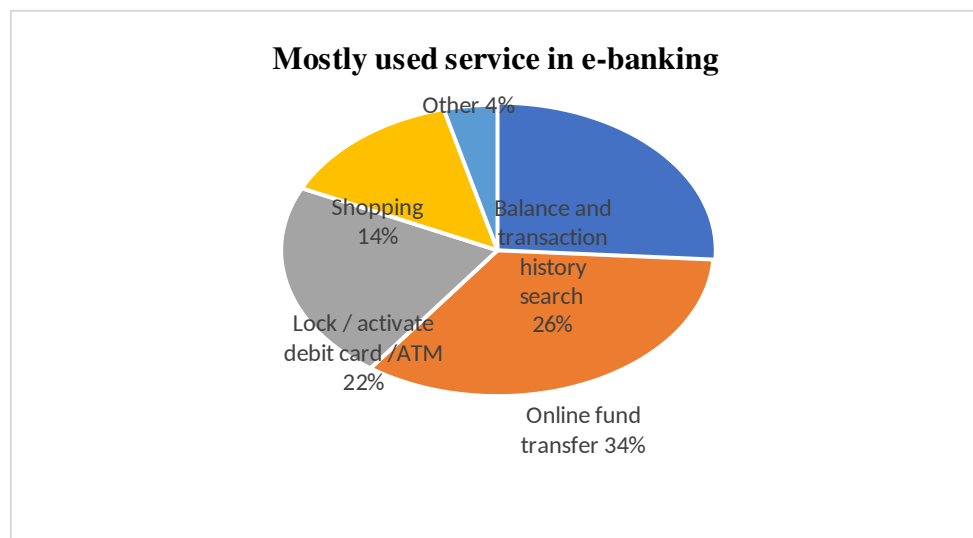
REASON FOR USING E-BANKING SERVICES



Source: Primary data

The result shows closer percentages for all the given options which clearly explains that the people are using e-banking services frequently for different reasons. The way of simplifying the process in e-banking has been attracted 38% of respondents which stands as the main reason for using e-banking through this survey.

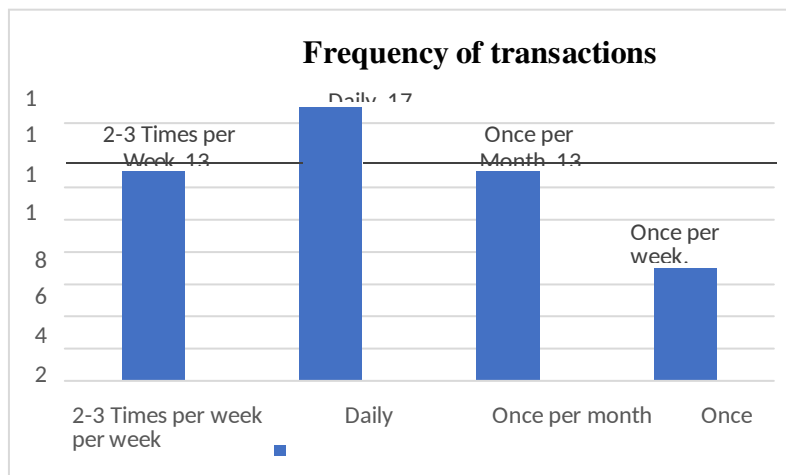
MOSTLY USED SERVICE IN E-BANKING



Source: Primary data

The result shows that the fund transfer through online is the most using service among the respondents with 34% and secondly balance and transaction history got 26%.

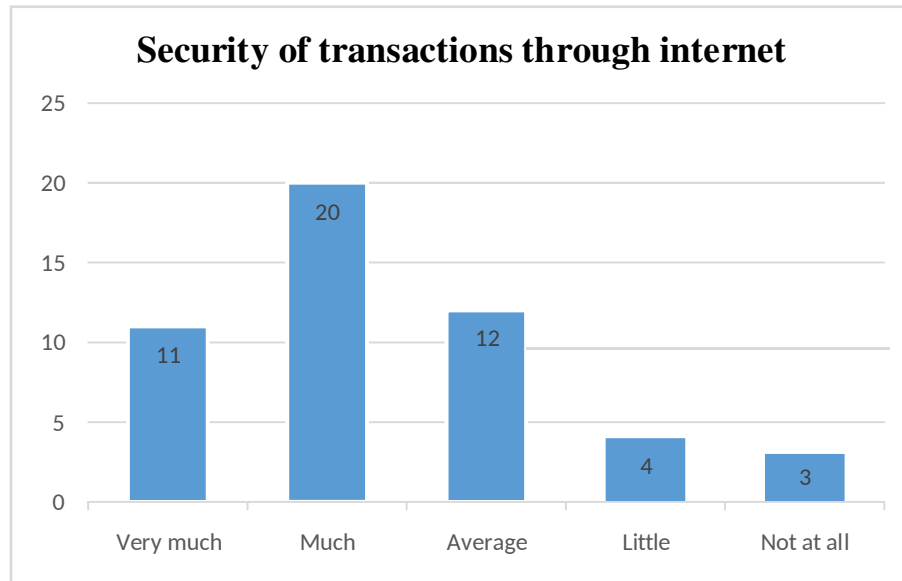
FREQUENCY OF TRANSACTIONS



Source: Primary data

The result shows that people are using e-banking transaction daily as it stands first with 17 respondents among the 50. Secondly transaction made 2-3 times per week and once per month have equal number of results with 13 respondents.

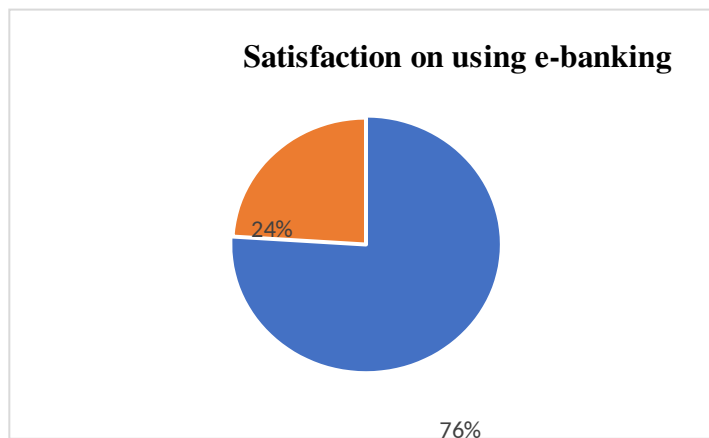
SECURITY OF TRANSACTIONS THROUGH INTERNET



Source: Primary data

The result shows that people are believing much in the securing service of e-banking as it leads with maximum number of respondents 20. The least position was taken by Not at all option as only very few respondents are feeling that e-banking transaction is not securable.

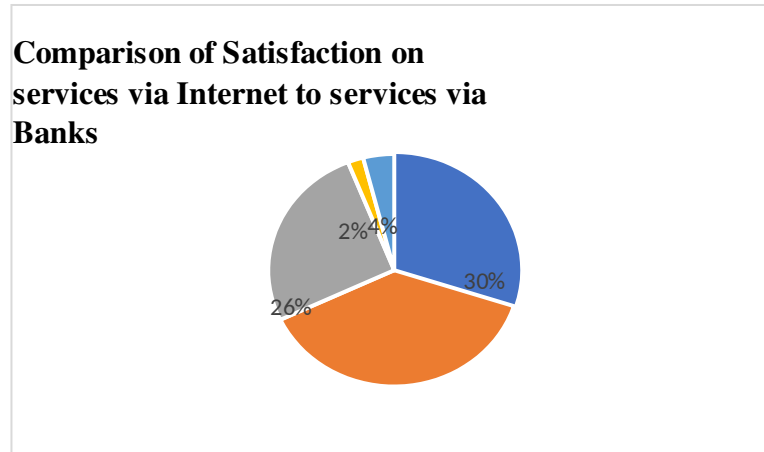
SATISFACTION ON USING E-BANKING



Source: Primary data

The result shows that 76% of people are satisfied with e-banking services among the 50 respondents and only 24% are unsatisfied with the service the reason may be they are expecting even more facilities in e-banking.

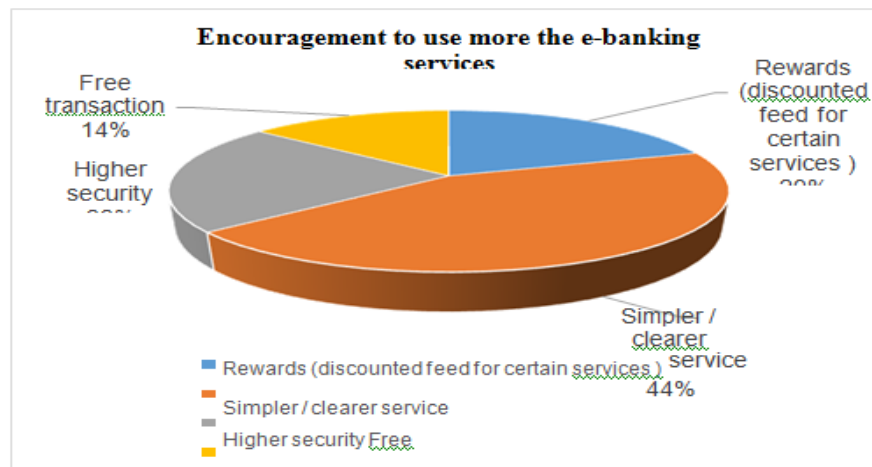
COMPARISON OF SATISFACTION ON SERVICES VIA INTERNET TO SERVICES VIA BANKS



Source: Primary data

The result shows that how Internet services are attracted to the respondents while compared with services in bank. Among the 50 respondents 19 have chosen high level satisfaction which stands first with 38%. This shows people are happy to use this service more than bank services.

ENCOURAGEMENT TO USE MORE THE E-BANKING SERVICES



The result shows that 44% of respondents feels that the simpler/ clearer service will encourage them to use more banking services through online. The least one with 14% is free transaction.

FINDING OF THE STUDY

- Most of the respondents who lies under the age of 20-39 are using e-banking services as they are having more knowledge about the services of e-banking.
- Most of the respondents are satisfied with the service charges for e-banking services as near about 80% of respondents are satisfied with this while the remaining respondents thinks that it is not fair.
- When asked about the confidence level on e-banking , the result shows a close call between the high level and average level satisfaction as it shows 38% on high and 40% on average, which clearly shows that majority of respondents are having confident in e-banking.
- When asked about the main reason for using e-banking, among 50 respondents 19 of them have chosen the simplification of processes, followed by the reason of 24Hr services.
- The online fund transfers have received highest percentage of mostly used e- banking services among the respondents. Secondly balance and transaction history search took place with 26%.

SUGGESTIONS

- Internet banking must be made available in all the branches of ICICI Bank.
- Each section of the bank should be computerized even in rural areas also.
- Covering up the towns in rural areas with ATMs so that the people in those areas can also avail better services.
- Prompt dealing with permanent customers and speedy transaction without harassing the customers.
- Give proper training to customers for using e-banking.
- Create a trust in mind of the customers towards security of their accounts.

CONCLUSION

This study attempted to identify the key quality attributes of interest banking services by analyzing Internet banking customers & their comments on the baking experience. The

findings of this study show that despite of many advantages of online banking, people still consider it as an alternative for analyzing their banking records. Although every bank today provides the facility of online banking but most of the people use it lesser in a month. This reason is that in case of Internet banking interpersonal interactions with the customers is seldom possible. Identification & measurement of customer's expectations of the internet banking service provide a frame of reference & their realtor quality dimensions. The main factors which persuade people to use online banking are comfort & convenience & the facility which attracts them most is quality & quantity of information. Therefore there implementation of quality dimensions there is still a lot needed for the banking system to make reforms and train their customers for using internet for their banking accounts. Going through the survey the most problem lies that still the customer have a fear of hacking of accounts and thus do not go on for Internet banking. Banks are trying their level best be providing the best security options to the customers but then there is lot of factors which betrays a customer from opening an Internet bank account.

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