



A STUDY ON E-BANKING SERVICES AND CUSTOMER SATISFACTION WITH REFERENCE TO SBI BANK, SOUTH BENGALURU

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Abstract

The State Bank of India (SBI) is a Mumbai-based multinational public sector banking and financial services statutory corporation. SBI is the world's 43rd largest bank. It is India's largest public sector bank, with a 23 % asset market share and a 25 % share of the total loan and deposit market. Electronic banking, often known as e-banking, is a service that allows customers to access their bank information, conduct financial transactions, make deposits, withdrawals, and pay bills through the internet rather than visiting their bank in person. This research is carried out in Bengaluru City with clients who use the State Bank of India's E-banking services (SBI). The sample size is 100 respondents; all of them are customers of SBI in South Bengaluru who use E-banking services. This study evaluates the major factors influencing customer satisfaction on e-banking services of SBI and also the problems faced in e-banking services and customer satisfaction level.

Keywords: E-Banking (Electronic Banking), Customer satisfaction, Digital financial services, ATM Service, Internet Banking, Mobile banking.

Introduction

The word 'bank' is considered to be originated from the Italian word banco, which means 'bench' because Jews in Lombardy used benches in the market to trade money and bills. A bank is a type of financial institution that is permitted to accept deposits and provide loans. Financial services such as wealth management, currency exchange, and safe deposit boxes may be offered by banks. Retail banks, commercial or corporate banks, and investment banks are among the several types of banks. Banks are governed by the national government or central bank in most nations.

E-banking is a secure, fast, simple, and efficient electronic service that allows you to access your bank account and conduct online banking transactions 24 hours a day, seven days a week. The products and services offered by banks in traditional banking are insufficient to meet the demands and wishes of customers. Customers are becoming increasingly demanding of value services that are tailored to their specific needs, are delivered at a low cost, and are completed accurately. Only via the application of information technology in the banking sector is it possible. In today's world, e-banking services are critical for attracting new consumers and retaining existing ones. In today's competitive financial environment, no bank can exist without e-banking services.

E-banking refers to the electronic transmission of banking transactions. A customer can simply access his account and make business transactions using his computer or mobile phone through e-banking. Internet Banking, Virtual Banking, Online Banking, and Web Banking are all terms used to describe electronic banking. E-banking is the most current and standard size delivery channel available from retail banks. It offered a lot of advantages to customers in terms of ease of use and low transaction costs; transactions could be conducted via the internet, telephone, or other electronic delivery systems. ICICI Bank was the first bank in India to offer internet banking services to its customers in 1997. Almost all major banks now provide their customers e-banking services.

Importance of E-Banking

- It enables digital payments which encourages transparency.
- It allows 24/7 access to the bank account.
- It lowers cost per transaction.
- It is convenient for banking customers as they do not have to physically visit the bank.



E-banking services provided by state bank of India

The State Bank of India is India's largest bank, with over 15000 branches and five partner banks in even the most remote corners of the country. The State Bank of India (SBI) provides both corporate and retail customers with a comprehensive range of banking products and services.

The State Bank of India's Internet banking facility is known as Online SBI. State Bank's Retail and Corporate customers can access their accounts from anywhere, at any time. The application was created with the most cutting-edge technology and techniques available. The infrastructure allows accounts in over 15,000 branches across India to have uniform, secure access to banking services.

Retail internet banking

Retail Internet Banking provides a wide range of services to meet online banking needs:

- Transfer funds to own and third-party accounts
- A suite of completely online deposit products (Fixed, Recurring, Flexi, Tax Saving etc.)
- Airline, Rail, Bus and hotel ticket booking
- Online Shopping and instant recharge features.
- IMPS Funds Transfer
- Western Union Service
- Credit beneficiary accounts using RTGS/NEFT feature
- Generate account statements
- Setup Standing Instructions and Scheduling payments
- Configure profile settings
- E- Tax for online tax payment
- E - Pay for automatic bill payments
- Avail DEMAT and IPO services
- Pay bill of Visa Credit Card issued by any Bank.
- Other Value-added Services.

Corporate internet banking

Through the web www.onlinesbi.com, the State Bank of India provides world-class Internet Banking services to its corporate customers. SBI's Corporate Internet Financialservice allows corporate customers to conduct banking transactions from anywhere and at any time using the power and convenience of the internet.

- Convenience banking – Operate your account from the comfort of home or office.
- Maker – Checker model to ensure security and integrity in the transactions.
- Anytime Banking- Enquire/transact on your account on a 24 x 7 basis.
- Save time and costs- No need to go to the bank branch for routine transactions.
- Promote Green Banking – No hassle of paper work
- Pay your Bills, taxes and statutory dues online- Beat the queues.
- File upload facility: Facilitates bulk payment of salary, tax, utility bills, remittances etc.
- Transfer money to other bank and SBI accounts.
- Supplier Payment - Make online, instantaneous payments to registered suppliers.
- Merchant Payments by using Merchant pre-approved limit to different merchants like telecom, electricity, municipal corporations etc.,

Review of Literature

Jamil Hammoud, Rima M Bizri, Ibrahim EL Baba, (2018)

Evidence from the banking sector in Lebanon. The aim of this study was to look at the relationship between the dimensions of E-banking service quality and customer satisfaction in order to see which one could have the biggest impact on customer satisfaction. The data was collected and analysed from 258 samples. The findings



show that customer satisfaction is influenced by reliability, performance, and ease of use; responsiveness and communication; and protection and privacy, with reliability being the most important dimension.

K. Madhavan, DR. C. Vethirajan (2020)

This study analyses consumer satisfaction with public and private sector banks' electronic banking services in the Puducherry region. The sample size of the study is 478, the data is collected from primary and secondary data. Clients of public sector banks have a lower perspective of many aspects of e-service quality than customers of private sector banks, according to the findings of the study. The greater usage of IOT-based apps in financial services, according to this research, would result in improved financial solutions.

Shivani Sardana, V.N. Bhajpai (2020)

The aim of the study is to look at the factors that influence the quality of e-banking services and how they affect consumer satisfaction. The study created a 5-factor structure based on convenient sampling of source data from two private sector banks in the Delhi region. The exploratory factor analysis yields dimensions of efficiency, trust, fulfilment, responsiveness, and systems, all of which are important factors in e-service quality satisfaction. The most important element determining e-banking service quality judgments is trust and privacy, according to regression findings.

Kundu S & Datta S.K. (2015)

They discovered that the quality of e-services, trust, and customer satisfaction are all interrelated. The quality of an internet banking service has a significant impact on trust. They also discovered that in the case of internet banking, privacy and fulfilment are the most important variables influencing trust. Furthermore, banks should be more concerned about the privacy of individual consumer transactions.

Research Gap

Researchers have conducted adequate research on the factors which influence the customer satisfaction (ease of use, dependability, performance, responsiveness, and security). However, there are no researches focused on the quality issues that are faced by customer while using e-banking services which can affect the customer satisfaction. Also, studies pertaining to the customers in South Bengaluru are found inadequate. The attitude of the customer services towards SBI bank remains not fully explored by research. Therefore, it is necessary to study E-banking services and the customer satisfaction about the same.

Statement of Problem

In the last decade, India's banking system has experienced significant financial innovation. Recent improvements in the banking industry have turned banks away from a brick-and-mortar approach and toward a click-and-mortar approach. Any transaction may be completed with a single click. Electronic Fund Transfer, RTGS/ECS, ATM, Internet banking, Mobile banking, Debit card and Credit card, and many other value-added services are examples of banking innovations. This study attempts to bring out the satisfaction of customers towards SBI's E-Banking services rendered in South Bengaluru by taking into account the importance of information technology and computer networking, their key role in the banking sector, and customers preference for online banking services offered by the bank.

Objectives of the Study

1. To examine the extent of customer satisfaction with electronic banking.
2. To identify the factors influencing the customers to use e-banking services in South Bengaluru.
3. To identify with the problems faced by the customers while using E-Banking services rendered by SBI Bank.
4. To make recommendations for effective strategies to improve online banking services.



Research Methodology

The information needed for this study was gathered from both primary and secondary sources. The primary data was gathered from SBI Banking customers in South Bengaluru. For gathering primary data from SBI Bank customers, a well-planned questionnaire was created. A random sample of 100 people, both male and female, was taken. This study employs the Convenient Sampling Technique. Secondary data was gathered from related research publications in books, journals, and periodicals, as well as newspapers and reports on the subject. Data is collected from a specific bank's website and connected websites in order to construct a theoretical backdrop of client satisfaction with E-banking services and their problems. For data analysis, percentage and Garrett ranking are employed.

Data Analysis and Interpretations

Table I, Demographic Variables

Demographic variables	Categories	No. of Respondents
Gender	Male	30
	Female	70
Age	Below 25 years	70
	25 – 35 years	11
	35 – 45 years	10
	Above 45 years	9
Qualification	SSLC	15
	Pre-University	19
	Under-Graduate	40
	Post-Graduate	23
	Professional	3
Occupation	Student	62
	Profession	3
	Business	11
	Government employee	6
	Private employee	10
	Home maker	5
	Others	3
Monthly income	Below 10,000	54
	10,000 – 20,000	27
	20,000 – 30,000	11
	30,000 – 40,000	7
	Above 40,000	2

Source: Primary data

Interpretation: Table I consists of demographic profile of sample respondents. It can be inferred that 70% of the respondents are female and 30% of the respondents are male. It also shows that 70% of the respondents comes under below 25 years group, followed by 11% of them under 25 – 35 years group, followed by 10% of them under 35 - 45 years group and 9% of them are above 45 years group. The above table depicts that 40% of the respondents are UG holders, followed by 23% of them are PG degree holders, followed by 19% of them are Pre-University holders, 15% of them are SSLC holders and 3% of them have Professional qualification. It is found that 62% of them are Students, 11% of them are Business men, 10% of them are Private employees, 6% of them are Government employees, 5% of them are home makers, 3% of them are Professionals and 3% of them are employed in other occupations.



Table II, Number of Respondents using E-Banking Services of SBI

	Yes	No	Total
Do you use e-banking services?	57	43	100

Source: Primary data

Interpretation: The above table gives information about the respondents who use e-banking services provided by the bank and who do not. Among 100 respondents, 57% of the respondents who participated in this survey use e –banking service provided by the bank. 43% of the respondents do not use the e-banking service. The reason behind maximum number of people using e-banking services is that it is convenient and easy to operate.

Table III, Frequently using E-banking Services (Garrett Ranking)

E-banking Services	Frequency	Rank
Mobile banking	42	2
ATM	82	1
Internet banking	10	5
Credit card	12	4
Debit card	39	3

Source: Primary data

Interpretation: Table III shows the frequently using E-Banking services by the customers. It is found that ATM is the foremost E-Banking service used by the customers. It is followed by Mobile Banking, Debit card, Credit card and lastly Internet Banking. This is done by using Garrett Ranking method.

Table IV, Factors influencing the most to use E-Banking services

Factors	No. of Respondents
Ease of use	21
Nearness	25
Security	14
All time availability	40
Total	100

Source: Primary data

Interpretation: Table IV represents the factors influencing the most to use e-banking services. Majority (40%) of the respondents have stated that all time availability is the most influencing factor to use e-banking services. According to 25% of the respondents, nearness is the most influencing factor to use e-banking services. 21% of the respondents have felt that ease of use is the most influencing factor and only 14% have felt that security is the most influencing factor to use e-banking services.

Table V, Types of problems faced on E-Banking services

Problems	No. of Respondents
Difficulty in remembering pin/password	7
Too many steps in processing	19
Slow Internet	25
Minimum withdrawals	35
High service charges	34
Security issues (Less security)	17
ATM without sufficient cash	39

Source: Primary data



Interpretation: Table V shows the types of problems faced by the customers while using e-banking services. It is found that 39 out of 100 respondents have faced ATM problem with insufficient cash. 35 respondents have felt that the amount that can be withdrawn through e-banking is very minimal. 34 respondents have expressed that there are high service charges in SBI's e-banking services. 25 respondents have complained that slow internet causes disruption in doing banking transaction in the mobile. 19 respondents have felt that there are too many steps involved in e-banking processes. 17 respondents felt that there is less security. 7 respondents have felt that it is difficult to remember pin/passwords while doing banking transactions in the mobile.

Table VI, Overall satisfaction level of E- Banking Services

Satisfaction level	No. of Respondents	Percentage %
Dis-satisfied	5	5
Neutral	53	53
Satisfied	42	42
Total	100	100

Source: Primary data

Interpretation: Table VI shows the overall satisfaction level of customers towards E-banking services rendered by SBI. It is found that 42% of the sample respondents are satisfied with e-banking services given by SBI, 5% of them are dis-satisfied and 53% of them are neutral.

Major Findings

- It can be inferred that majority of the respondents are female (70%).
- It also shows that majority of the respondents (70%) comes under below 25 years age group.
- It is found that majority of the respondents (40%) are UG degree holders.
- It is found that 62% of them are Students, 11% of them are Business men, 10% of them are Private employees, 6% of them are Government employees, 5% of them are home makers, 3% of them are Professionals and 3% of them are employed in other occupations.
- It is found that majority (57%) of the respondents who participated in this survey use e-banking service provided by the bank. 43% of the respondents do not use the e-banking service. The reason behind maximum number of people using e-banking services is that it is convenient and easy to operate.
- It is found that ATM (82%) is the foremost E-Banking service used by the customers. It is followed by Mobile Banking, Debit card, Credit card and lastly Internet Banking. This is done by using Garrett Ranking method.
- It is found that majority (40%) of the respondents have stated that all time availability is the most influencing factor to use e-banking services.
- It is found that 39 out of 100 respondents have faced ATM problem with insufficient cash. 35 respondents have felt that the amount that can be withdrawn through e-banking is very minimal. 34 respondents have expressed that there are high service charges in SBI's e-banking services. 25 respondents have complained that slow internet causes disruption in doing banking transaction in the mobile. 19 respondents have felt that there are too many steps involved in e-banking processes. 17 respondents felt that there is less security. 7 respondents have felt that it is difficult to remember pin/passwords while doing banking transactions in the mobile.
- It is found that 42% of the sample respondents are satisfied with e-banking services given by SBI, 5% of them are dis-satisfied and 53% of them are neutral.

Suggestions

- The bank should regularly remind their customers to change their passwords or pin numbers to enhance the security.
- Bank has to ensure that the ATM's does not run out of cash.



- Customer service has to be better. Customer inquiries should be adequately addressed. Then only they become loyal customers to the bank.
- The security measures should be improved. So that customers aren't concerned about hackers.
- The bank should reduce the processing steps in internet banking. So that everyone can easily transact via online.

Conclusion

Customers are a business's most valuable asset. The success of a company is determined by how well it meets the expectations of its customers. Banks are the most essential social institutions, providing a wide range of financial services to their clients. Various committees were formed to make recommendations on how to improve bank customer service. Customers can now obtain banking services at a low cost by simply clicking a mouse, and they also have unprecedented freedom in selecting suppliers for their financial service needs. Customers' business relationships are being restructured as a result of the introduction of Internet banking. Because of India's growing telecommunication infrastructure, the reach of Internet banking has exploded. Overall, E-banking is a service that allows several consumers to conduct multiple transactions online at the same time without having to visit a branch. This study can help the SBI bank to know its customers opinion and find the solution through customers' perspective. It can help them easily to achieve customer satisfaction.

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