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EXPLORING CUSTOMER SATISFACTION IN E-BANKING SERVICES: A STUDY ON STATE BANK OF INDIA

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ABSTRACT
The rapid advancement of technology has significantly transformed the banking sector, with e-banking emerging as a convenient and efficient alternative to traditional banking methods. This study aims to evaluate customer satisfaction towards e-banking services offered by the State Bank of India (SBI) in Coimbatore. It explores various factors such as service quality, ease of use, security, accessibility, and responsiveness that influence customer perception and satisfaction. The research is based on primary data collected through structured questionnaires from a sample of SBI customers in Coimbatore. The findings indicate that while most customers appreciate the convenience and time-saving nature of e-banking, concerns about security and occasional technical issues still persist. The study offers valuable insights for banking institutions to enhance their digital service offerings and improve customer satisfaction.
KEYWORDS: *Customer Satisfaction, E-Banking, SBI, Coimbatore, Digital Banking, Service Quality, User Experience, Online Banking, Banking Technology, Security.*

INTRODUCTION

The banking sector plays a crucial role in the country's economy, driving both social and economic development. With the rise of e-commerce, the way we save and invest has also been transformed. Banking technology refers to the use of advanced information and communication technologies to provide secure, reliable, and affordable services, giving banks a competitive edge. In today's competitive financial market, banks that adopt the latest technology are more successful, improving profitability and customer retention. Modern banks have moved from traditional manual operations to centralized systems, using innovative tools to understand customer needs and offer tailored products and services.

OBJECTIVES

1. To identify the key factors influencing customer satisfaction with SBI's e-banking services.
2. To assess the level of customer satisfaction with e-banking services offered by the State Bank of India (SBI).
3. To evaluate the effectiveness and user-friendliness of SBI's e-banking platforms from the customer's perspective.
4. To analyse customer perceptions regarding the security, reliability, and accessibility of SBI's e-banking services.

REVIEW OF LITERATURE

Shilpan Vyas (2012) highlighted that e-banking has transformed from a convenience into a necessity, particularly in developed nations where it offers the most cost-effective service delivery. Internet banking enables customers to perform transactions and inquiries anytime, promoting anywhere banking. With advantages like speed, convenience, and reduced costs, e-banking channels such as online and telephone banking have become central to modern finance. The rise of e-finance has also allowed real-time transactions, especially useful in online shopping. Moreover, the ease of launching e-banks has attracted agile, customer-focused new entrants, challenging traditional banks and reducing customer loyalty due to increased choice and improved digital experiences.

Mr. Lakshmi Narayana, Mr. Sri Haviv, and Rd. Paramashivaiah (2013), in their study A Study on Customer Satisfaction towards Online Banking Services, emphasized that meeting customer expectations is essential for achieving high satisfaction in online banking. As Internet usage grows, banks have adopted electronic channels to deliver services more efficiently and cost-effectively. Online banking, also known as e-banking or PC banking, reduces dependence on physical branches while offering convenience and speed. The study highlights the need for banks to assess key service quality factors that influence customer satisfaction. By understanding these perceptions, banks can enhance user experiences, build stronger relationships, and stay competitive. Adapting to evolving customer needs is critical for retaining and expanding the digital customer base.

D.N.V. Krishna Reddy and Dr. M. Sudhir Reddy (2015), in their study "A Study on Customer's Perception and Satisfaction Towards Electronic Banking," highlight the pivotal role of ICT in transforming the banking sector. E-banking is increasingly

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replacing traditional methods by offering greater convenience, speed, and service quality. The study identifies key satisfaction drivers such as convenience, awareness, and responsiveness, which influence customers' shift toward digital platforms. As technology becomes integral to daily life, banks must promote e-banking benefits across all demographics and ensure platforms are user-friendly and inclusive. To remain competitive and retain customers, continuous improvement in service delivery and a focus on diverse customer expectations are essential for enhancing loyalty and long-term satisfaction in the digital banking environment.

V. Vimala (2015), in her study "An Evaluative Study on Internet Banking Security among Selected Indian Bank Customers," emphasizes the convenience and speed offered by internet banking, allowing customers to perform essential transactions like fund transfers, balance inquiries, and withdrawals from home. However, despite these advantages, security concerns remain a significant issue. While banks have implemented various safety measures to protect customer data, cyber fraud and unauthorized access continue to pose risks. The study highlights the need for more research on customer awareness, satisfaction, and perceptions regarding internet banking security. Addressing these concerns is crucial for building trust and ensuring the sustained growth and acceptance of digital banking in India

Sowmya K and Dr. Yathish Kumar (2015), in their study "Customer Satisfaction Factors towards E-Banking Services," highlight the significant advantages of e-banking, particularly its convenience and accessibility, allowing customers to perform transactions anytime and anywhere. Customers value the accuracy, reliability, and independence that online banking offers, which enhances satisfaction and promotes loyalty. However, challenges such as connectivity issues, data security concerns, hidden charges, and fraudulent activities remain prevalent. The study emphasizes that customer satisfaction in e-banking is influenced by factors like ease of use, efficiency, security, and responsive customer service. To ensure the continued success of e-banking, banks must address these concerns and provide a secure, user-friendly experience.

SCOPE OF THE STUDY

This study evaluates customer satisfaction with e-banking services provided by the State Bank of India (SBI) in Coimbatore. It focuses on understanding usage patterns, preferences, and expectations of SBI customers using internet banking, mobile banking, and ATMs. The study examines key service dimensions like usability, reliability, security, transaction speed, and grievance redressal mechanisms. The findings aim to help SBI identify strengths and areas for improvement in its e-banking services. The study is limited to a sample of customers in Coimbatore and may not reflect perceptions from other regions.

LIMITATIONS OF THE STUDY

- The study is limited to Customers who are availing of E-Banking services in SBI
- The study is confined to customers of State Bank of India (SBI) in Coimbatore.
- The sample is limited to 177 respondents.
- The study primarily focuses on customer satisfaction, and does not extensively cover technical, operational, or security aspects of e-banking services.
- The study focuses only on commonly used e-banking services such as internet banking.

RESEARCH METHODOLOGY

Research methodology is the blueprint of the research process, laying down the framework for the collection, measurement, and analysis of data. It ensures a systematic approach towards solving the research problem and achieving the research objectives. This chapter presents the research design, area of the study, population, sampling technique, sample size, data collection methods, hypotheses framed, and tools used for data analysis in the context of examining customer satisfaction towards e-banking services of the State Bank of India (SBI).

RESEARCH DESIGN

The research design is a critical component that outlines how the study will be conducted. This study adopts a descriptive research design, which aims to describe the characteristics of the customer base using SBI's e-banking services and assess their level of satisfaction.

Descriptive research is most appropriate for understanding customer behaviour, preferences, and satisfaction levels. The study employs survey-based primary research to collect quantifiable data on various aspects of SBI's digital services such as internet banking, mobile banking, ATM services, and digital customer support.

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AREA OF THE STUDY

The area of the study is limited to selected regions in Coimbatore, with a focus on both urban and semi-urban customers who use SBI's e-banking services. The selected area provides an adequate mix of customers across age, occupation, and educational backgrounds, offering a representative sample of the bank's clientele.

With the growing dependence on e-banking services post-pandemic, this study captures the opinions and satisfaction levels of customers actively engaging with SBI's digital platforms.

SAMPLING TECHNIQUE

This research employs a convenience sampling technique, a non-probability method that involves selecting participants who are readily available and willing to participate. This technique is commonly used in descriptive studies for practical feasibility, especially when targeting a specific service user base.

The structured questionnaires were circulated both online and in printed form at SBI branches and public spaces, such as shopping malls, educational institutions, and offices.

SAMPLE SIZE

The sample size refers to the total number of respondents who completed the survey. For the purpose of this study, a sample of 177 SBI customers was chosen.

This size was considered adequate for drawing meaningful statistical inferences using tools like Chi-Square and the sample ensures diversity in terms of gender, age group, education level, and frequency of e-banking usage.

DATA ANALYSIS AND INTERPRETATION

1. Gender and level of agreeableness towards SBI's customer support in handling issues

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.531	4	.032
Likelihood Ratio	10.264	4	.036
Linear-by-Linear Association	1.551	1	.213
N of Valid Cases	177		

H_0: There exist no association between gender of the respondents and level of agreeableness towards SBI's customer support in handling issues.

Calculated $\chi 2$ Value: 10.531
Degree of freedom: 4
Signification level: .032

INTERPRETATION

As the calculated $\chi 2$ value (10.531) is significant (.032) at five percent level, there exist an association between gender of the respondents and level of agreeableness towards SBI's customer support in handling issues. Hence the null hypothesis is rejected.

2. Age of the respondents and trust towards SBI's e-banking platform

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.361	12	.061
Likelihood Ratio	15.150	12	.233
Linear-by-Linear Association	.5341	1	.465
N of Valid Cases	177		

H_0: There exist no association between age of the respondents and trust towards SBI's e-banking service.

Calculated $\chi 2$ Value: 20.361
Degree of freedom: 12
Signification level: .061

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INTERPRETATION

As the calculated $\chi 2$ value (20.361) is not significant (.061) at five percent level, there exist no association between age of the respondents and trust towards SBI's e-banking service. Hence the null hypothesis is accepted.

3.Qualification and factors influencing decision to use SBI e-banking services

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.824	6	.001
Likelihood Ratio	23.263	6	.001
Linear-by-Linear Association	1.075	1	.300
N of Valid Cases	177		

H_0: There exist no association between qualification of the respondents and factors influencing the decision to use SBI e-banking services.

Calculated $\chi 2$ Value: 22.824
Degree of freedom: 6
Signification level: .001

INTERPRETATION

As the calculated $\chi 2$ value (22.824) is significant (.001) at five percent level, there exist an association between qualification of the respondents and factors influencing the decision to use SBI e-banking services. Hence the null hypothesis is rejected.

4. Income and feel of safety in conducting high value transaction through SBI e-banking

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.822	12	.156
Likelihood Ratio	14.860	12	.249
Linear-by-Linear Association	1.617	1	.203
N of Valid Cases	177		

H_0: There exist no association between income of the respondents and feel of safety in conducting high value transaction through SBI e-banking.

Calculated $\chi 2$ Value: 16.822
Degree of freedom: 12
Signification level: .156

INTERPRETATION

As the calculated $\chi 2$ value (16.822) is not significant (.156) at five percent level, there exist no association between income of the respondents and feel of safety in conducting high value transaction through SBI e-banking. Hence the null hypothesis is accepted.

FINDINGS

- Gender and SBI Customer Support, There is a significant difference in how men and women view SBI's customer support ($\chi^2 = 10.531$, $p = 0.032$). The p-value is less than 0.05, so gender affects customer support perception.
- Age and Trust in E-Banking. Trust in SBI's e-banking services does not differ much across age groups ($\chi^2 = 20.361$, $p = 0.061$). The p-value is greater than 0.05, so age is not a major factor. People of all ages trust SBI's e-banking similarly.
- Education and E-Banking Adoption, Educational qualification significantly affects the factors influencing SBI e-banking use ($\chi^2 = 22.824$, $p = 0.001$). The very low p-value indicates strong association. People with different education levels consider different factors when choosing e-banking.
- Income and Safety in High-Value Transactions, Perceived safety during high-value SBI e-banking transactions doesn't vary by income ($\chi^2 = 16.822$, $p = 0.156$). Since the p-value is above 0.05, the association is not significant. Income level does not affect how safe people feel with big transactions.

SUGGESTIONS AND RECOMMENDATIONS

- SBI should invest in improving the user interface of its mobile and internet banking platforms to ensure smoother navigation and better customer experience.

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- Train support staff to recognize and address different communication preferences or concerns between male and female customers.
- Collect feedback segregated by gender to understand pain points better and improve personalization.
- For older users, additional tutorials or guided help may enhance comfort and trust.
- SBI should continue emphasizing robust security measures like OTP, encryption, fraud detection systems.
- Regularly communicate security updates and provide educational materials on safe online banking practices to all income brackets.

CONCLUSION

The study reveals that e-banking services offered by SBI have significantly influenced customer satisfaction through their accessibility, convenience, and time-saving features. Most customers appreciate the efficiency, availability, and range of online banking services such as fund transfers, balance inquiries, and bill payments. However, the research also highlights certain areas of concern, including security issues, technical glitches, and a need for improved customer support responsiveness.

Findings indicate that demographic factors like gender and qualification influence perceptions of service quality, while variables such as age and income show limited association with trust and satisfaction in some aspects of SBI's e-banking. Therefore, while SBI has successfully digitized its services and met many customer expectations, further enhancements particularly in service support, awareness programs, and security measures can lead to higher levels of satisfaction and customer retention.

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