



A Study on the Satisfaction of Customers about E-Banking Services in Mysore City

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Abstract: *UCBs need to be well equipped with ICT tools. For this they need a suitable legal policy and favorable business environment. UCBs should organise ICT training programmes for their staff. Gathered information shows that none of the selected UCBs staff has gone under any training programmes regarding ICT – based services. In case of UCBs there is a need to design well-known IT control frameworks in a phased manner. UCBs need to climb the E- Banking platform step by step. On the other hand effective IT strategies and monitoring are inevitable to enhance efficiency, productivity and profitability in their sector. Banks should set up transaction monitoring cell to detect frauds quickly. That cell should give importance to fraud detection and redressal mechanisms. In the present study it is noticed that most of the customers in UCBs are not technically educated and they are computer illiterates. Therefore, an ICT awareness programme should be conducted to bring their customers to ICT platform and also UCBs must educate its customers to use E-Banking services. UCBs need to formulate a specific business to have appropriate ICT delivery mechanisms to automate their branches to come out of the traditional banking environment.*

Keywords: *IT strategies, customer, banking sector*

Introduction

Today, technology has become a powerful tool in transforming every aspect of the banking sector. This trend is assuring tangible results of high customer base and growing performance. Indian banks are showing their presence in Websites and Social media with the latest technological solutions to cater their customers, especially the youth. Therefore, there is a great scope for technology up gradation in this sector. To open up new markets, to reach new customers, to increase the cost effectiveness and to provide transparent and attractive services in a satisfactory manner, ICT strategy is providing avenues to the banking sector in many ways. Good customer service is becoming a main motto of all commercial banks in recent years. Customer satisfaction is a must in each bank case. Customers are

the end users of this technology. When customers consider these innovative services as interesting one the bank's attempt becomes successful. E-Banking services apart from some security and safety measures have positive effects on customers. Urban Cooperative Banks are also slowly sinking in the Information and communication technology ICT world. They are waking up to explore the advanced technological weapons to face a series of challenges and cut throat competitions. They are going for these solutions to reach exciting destinations. Automation in this sector is showing a ray of hope. It is believed that ICT networking system and leading innovations revolutionise these technology laggard cooperative banks.

Objective of the Paper



❖ To analyse the perception of customers selected Commercial Banks and UCBs in Mysore regarding ICT based Banking transactions.

Methodology

A simple random sampling method is adopted to choose the customers of

particular Banks and purposive sampling method is used to select both Commercial Banks and UCBs in the study area. The study has used chi square test measures to analyse the perception of customers about ICT based services in Banks. For the Present study 150 customers from Commercial Banks and 150 customers of UCBs of Mysore city.

Table -3.2 Selected Banks for the Study

Sl. No	Category of Banks	No. Of Banks
1	Public Sector / Nationalized Banks	6
2	Private Banks	3
3	Foreign Banks	1
4	Urban Cooperative Banks	10
	Total	20

Source : Field Work

The Sample for this study is limited to Mysore city of Karnataka State, India. Ten Commercial Banks and ten UCBs of Mysore city have been selected for the study (1/4th of the total Banks in the city). A purposive sampling method has been used to select Commercial Banks and UCBs in the study area. As compared to private and foreign Banks Public Sector /

Nationalized Banks are more in number therefore six Banks are drawn from that category. Three Private Sector Banks and one Foreign Bank have been chosen for the study and out of 14 UCBs 10 Urban Cooperative Banks which are using fully or partially the E-Payment and E-Banking methods in Mysore city have been selected.

Table -3.3 Customers and Employees of Selected Banks for the Study

Sl. No	Category of Banks	No. of customers
1	Commercial Banks	150
2	UCBs	150
3	Total	300

Source : Field Work

For the Present study 150 customers from Commercial Banks and 150 customers of UCBs of Mysore city are selected on simple random sampling method.

Technology up gradation has changed the mindset of customers. The customer's perception towards E-Banking services has changed them to come out of Conventional Banking set up



to modern technology updated Banks. But UCBs are still slow in imbibing technology related strategy in their business operation. It is observed in the study that many of the selected UCBs are not aware of this latest technology drive. Lack of funds, lack of technical skill among staff, inadequate information

about ICT tools, etc. have made these UCBs to log out of this new challenge. Banks are providing new technological services to their customers to provide them convenient, time saving, comfortable and easy banking environment.

Table 1.1 Customers' Opinion on Easy to Use Nature of Technology based Banking Services

Opinion	CBs		UCBs		Total	
	In number	In %	In number	In %	In number	In %
Yes	109	72.7	44	29.3	153	51
No	41	27.3	106	70.7	147	49
Total	150	100	150	100	300	100
Chi-Square Test Value: 56.356 Sig: 0.000 df: 01						

Source: Field Survey Data.

At present no time or place boundaries for banking transactions. In this background customers of both Commercial Banks and UCBs were asked the reasons for opting ICT based services in their Bank transactions. Six questions were asked to customers of both types of banks they are, Is ICT based Banking services easy to use? Is it trendy? Is it a time saver? Is it prestigious? Is it convenient? Does it increase the quality of service? And customers were asked to tick yes, no or don't know to analyse the difference between customers' reasons for opting technology based services and type of Bank.

The cross tabulation shows that 153 (51%) customers are of the opinion that E- Banking services are **easy to use** therefore, they want to transact banking business with advanced technology. 72.7 percent of customers of Commercial

Banks and 29.3 percent of customers of Urban Cooperative Banks have opined that E- Banking services are easy to use and they are user-friendly. The majority of customers of Commercial Banks has found this e- Banking easy to operate as Commercial Banks are fast in adopting advanced technology have attracted their customers to go for modern Banking. But 70.7 percent of customers of UCBs are not comfortable with this due to lack of awareness of advanced technology and UCBs have not become successful in providing E- Banking services successfully to their customers. It is found from the chi square test that the significant difference between Bank type and reasons for opting E-Banking facilities by customers at one percent level of significance. Therefore, customers of CBs feel it easier than customers of UCBs.



Table 1.2 Customers' Opinion on Trendy Nature of Technology based Banking Services

Opinion	CBs		UCBs		Total	
	In number	In %	In number	In %	In number	In %
Yes	135	90	65	43.3	200	66.7
No	15	10	85	56.7	100	33.3
Total	150	100	150	100	300	100
Chi-Square Test Value: 73.500 Sig: 0.000 df: 01						

Source: Field Survey Data.

The cross tabulation shows that 200 (66.7%) customers are of the opinion that they want to follow E- Banking services because they have become trendy in this society. Therefore, they want to do Banking business with advanced technology to enjoy the trendiness and to feel flexible. 90.0 percent of customers of Commercial Banks and 43.3% percent of customers of Urban Cooperative Banks have opined that E- Banking services are the spell of the day. But 85 percent of

customers of UCBs have not been influenced by this new trend and they are happy with the conventional banking operations. It is found from the chi square test that the significant difference between Bank type and reasons for opting E-Banking facilities by customers at one percent level of significance. Therefore, the trendy nature of E- Banking services opted by customers of CBs is significantly higher compared to customers of UCB

Table 1.3 Customers' Opinion on Time Saving Nature of Technology based Banking Services

Opinion	CBs		UCBs		Total	
	In number	In %	In number	In %	In number	In %
Yes	140	93.3	88	58.7	228	76
No	10	6.7	62	41.3	72	24
Total	150	100	150	100	300	100
Chi-Square Test Value: 49.415 ,Sig: 0.000 df: 01						

Source: Field Survey Data

The cross tabulation shows that 228 (76 %) customers are of the opinion that they want to follow E- Banking services because it saves their time and conventional Banking system consumes more time and energy. Therefore, they want to perform Banking transactions with advanced technology to save their

valuable time. 93.3 percent of customers of Commercial Banks and 58.7 percent of customers of Urban Cooperative Banks have opined that E- Banking services are useful and they can be performed without time restrictions and need not to wait in a long queue. It is found from the chi square test that the significant difference



between Bank type and reasons for opting E-Banking facilities by customers at one percent level of significance. Therefore, opting E- Banking services to save time by customers of CBs is significantly higher compared to customers of UCBs.

Table 1.4 Customers' Opinion on Convenient Usage of Technology based Banking Services

Opinion	CBs		UCBs		Total	
	In number	In %	In number	In %	In number	In %
Yes	128	85.3	19	12.7	147	49
No	22	14.7	131	87.3	153	51
Total	150	150	150	100	300	100
Chi-Square Test Value: 158.477 ,Sig: 0. .000 df: 01						

Source: Field Survey Data.

It is clearly shown in the cross tabulation that 128 (85.3%) customers are of the opinion that they want to follow E- Banking services because it is convenient to use. 19 percent of customers at Urban Cooperative Banks are expressing their opinion E-Banking services are convenient to use.. It is found from the chi square test that there is a significant difference between Bank type and reasons for opting E-Banking facilities by customers at one percent level of significance. Therefore, opting E-Banking services for convenience purpose by customers of CBs is significantly higher compared to customers of UCBs.

Table 1.5 Customers' Opinion on Quality of Service Involved in Technology based Banking Services

Opinion	CBs		UCBs		Total	
	In number	In %	In number	In %	number	In %
Yes	142	94.7	74	49.3	216	72
No	8	5.3	76	50.7	84	28
Total	150	100	150	100	300	100
Chi-Square Test Value: 76.455 ,Sig: 0. .000 df: 01						

Source: Field Survey Data.

It is clearly shown in the cross tabulation that 216(72%) customers are of the opinion E- Banking services have improved the quality of services rendered by Banks to them because Banks with this advanced technology are offering



attractive products to them and these products/services have made customers' work easy and comfortable. 94.7 percent of customers of Commercial Banks and 49.3 percent of customers Urban Cooperative Banks have expressed E-Banking has improved quality of services in Banking sector. It is found from the chi square test that there is a significant difference between Bank type and reasons for opting E-Banking facilities by customers at one percent level of significance. Therefore, opting E-Banking services for quality services by customers of CBs is significantly higher as compared to customers of UCBs.

Conclusion and Suggestions

UCBs in the Mysore city do not have ATM centers except three Banks. Therefore, UCBs should plan to set up ATM centers in important locations in the city for the benefit of customers to utilise anywhere and anytime Banking transactions. Customers' awareness programmes must be conducted twice in a year by Banks to limit frauds regarding pin number, maintenance of debit and credit cards and username. Banks should provide authenticated service to identify customers to avoid web spoofing problems. UCBs need to understand the reality of the present Banking environment and also have to target young population. Indian Banks need to catch up more rural area people.

UCBs need to be well equipped with ICT tools. For this they need a suitable legal policy and favorable business environment. UCBs should organise ICT training programmes for their staff. Gathered information shows that none of the selected UCBs staff has gone under any training programmes regarding ICT – based services. In case of UCBs there is

a need to design well-known IT control frameworks in a phased manner. UCBs need to climb the E- Banking platform step by step. On the other hand effective IT strategies and monitoring are inevitable to enhance efficiency, productivity and profitability in their sector. Banks should set up transaction monitoring cell to detect frauds quickly. That cell should give importance to fraud detection and redressal mechanisms. In the present study it is noticed that most of the customers in UCBs are not technically educated and they are computer illiterates. Therefore, an ICT awareness programme should be conducted to bring their customers to ICT platform and also UCBs must educate its customers to use E- Banking services. UCBs need to formulate a specific business to have appropriate ICT delivery mechanisms to automate their branches to come out of the traditional banking environment. Most of the UCBs are finding hard to use E – Banking services due to implementation and maintenance cost. Therefore, RBI has to provide them loan facilities at lower interest to afford ICT tools in their Banks. Banks also need to enter doorstep of the customer at a lower cost so it has to bridge between the two.

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