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Customers Satisfaction on Technology Enabled Banking Services in Nagai

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Abstract: *The present study aimed that to know the customers' satisfaction on technology enabled banking services in Nagai district. Satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product perceived performance in relation to his/her expectation. It is a function of perceived performance and expectations. If the performance falls short of expectations the customer is highly satisfied or delighted. Many banks are aiming for high satisfaction because customers who are just satisfied still find it to switch when a better offer comes along. Those who are highly satisfied are much less ready to switch. High satisfaction or delight creates emotional bond with bank, not just a rational preference. The result is high customer loyalty.*

Keywords: *Satisfaction, Customer, Performance, Bank, Services, Preference.*

I. INTRODUCTION

In the last two decades, service industry has witnessed incredible changes in the way business is conducted paralleling to the previous era. Merging of technologies has made the distribution of services more convenient than ever before. Automatic Teller Machines, bill payment kiosks, internet based services and phone based services (both voice and text), automated hotel check out, automated check-in for flights, automated food ordering system in restaurants, vending machines, Interactive voice response systems are examples of technology based service delivery channels. These technology enabled service delivery mediums are known as self-service technologies (SSTs). In case of retail banking the customers receive the services through technology enabled mediums such as Automatic Teller Machines (ATM), Internet and Mobile phone. With the development of the Internet, more knowledge is accessible to people anywhere at any time. Facilitating communication, data transmission, and global interaction, the Internet is a playing field unlike any other. Transcending the traditional barriers of time and space, the Internet is redefining the world of banking. The Internet has created new methods for carrying out a variety of financial transactions. With these developments, a new era of banking has emerged which has come to be known as "e-banking." E-banking encompasses an array of financial transactions, once done through the tangible exchange of information, now are done electronically. While the benefits of such advancements have been welcomed, there also have been drawbacks. Issues such as security, fraud, and theft have deterred people from participating in the Internet and e-banking revolutions. Furthermore, without the proper countermeasures in place to prevent malicious actions, users may find the prospect of Internet banking unappealing. The problem therein arises; with technology's revolutionizing effect on banking procedures, improper security measures prevent customers from enjoying the benefits. Furthermore, the security issue extends beyond simply deterring participation; it extends to the improper use and manipulation of the Internet for illegal gain and illegal activities. The problem is not isolated to a specific group of people, though it may be more prevalent in certain age groups, but everyone and anyone

can be at risk from malicious users. Furthermore, from the perspective of the institution offering the service, the security issue can be a major obstacle to traverse in the marketing of these online services to customers. Some banks may devote considerable time and assets in perfecting their online services and to have them not taken advantage due to Internet insecurity can prove very costly.

II. NEED OF THE STUDY

Every consumer has certain wants and needs and a strong desire to satisfy them. To satisfy the wants they purchase certain goods under the impression that the goods would satisfy his wants. If the product satisfies him, the consumer shall become the consumer of the firm and also tell about the product to his friends and others. In this process, he advertises the product. This advertising improves the effectiveness of the manufacturer's advertisements and other sales efforts. Satisfaction is important to the consumer because it reflects a positive outcome from the outlay of scarce resources and / or the fulfillment of unmet needs. Thus, minimizing dissatisfaction and maximizing satisfaction are seen as important goals for both the firm and the consumer. Banks continue to offer value added Products and Services for customer acquisition and retention. Retail banking technology is gaining its importance due to the demand in the market. Alternate delivery channels and channel integration expectation were increased to greater extend from customers. Branch Banking channels are just as business expansion channel rather than Transaction processing centre. More and more customers are moving out of the Branch Banking channel to other alternate delivery channels. Rapid penetration of Computers, High Technology Mobile phones and broadly available internet providing on-line Transaction and purchase options encouraged increasing usage of technology banking.

III. STATEMENT OF THE PROBLEM

Banking Industry is facing a challenge in change of service delivery, adding more alternative channel for distributing their services with better and the best service standards compared to their peer banks, who are competitors for their share of business in the market. In recent years, the banking industry has been undergoing rapid changes, reflecting a number of underlying trends and developments. A key catalyst in the change process has been the revolution in communication and information technology which have accelerated and broadened dissemination of financial information while lowering the costs of operations. Another key impetus for change has been the increasing competition among a broad range of domestic and foreign institution in providing banking and related financial services. Yet another issue is that financial activity has become larger relative to overall economic activity in the economic. Against these bank drops, the ongoing financial sector reforms have encompassed the development of various segments of financial markets, strengthening the inter-linkages among these segments, introducing sophistication in market product and prices and building the technological Asset-Liability Management.

IV. OBJECTIVES OF THE STUDY

- a. To know the customers' satisfaction on banking technology services in Nagai District.
- b. To provide better ways and means for improving banking services to the customers.

V. REVIEW OF LITERATURE

Siam (2006) evaluated the effects of electronic banking on the profitability of Jordanian banks. The study investigated the reasons behind providing electronic banking services through internet, their impact on banking services in general, and banks profitability in particular. The results of the study revealed that electronic banking services had a negative impact on the profitability of banks in the short run because of increased capital costs involved in technical and electronic infrastructure, cost of training to employees and also the cost involved in creation of environment where the banks can operate smoothly. However, these services had a positive impact in the long run on the profitability of banks. The researcher recommended that banks need to carry out awareness and promotion campaigns to educate clients and aware them of feasibility through reduced time, cost, effort and also to hold training courses for employees to understand the e-banking business strategies. 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. However, in order to exploit technical and business capabilities of banking, banks should generate more customers inside and outside India so that more revenues could be generated that lead to better future of Indian economy.

VI. RESEARCH METHODOLOGY

Research in common parlance refers to a search for knowledge. One can also define research as a scientific and systematic search for pertinent information on a specific topic. In fact, research is an art of scientific investigation. The present study used both primary as well as secondary data. The primary data was collected from the customers of banking sectors in Nagai district. Field survey technique was employed to collect the pertinent data from the 200 selected sample respondents in Nagai districts. The respondents were selected by using simple random sampling method from the selected towns. Questionnaire was the main tool for collecting the data. The secondary data was also collected for the study. The data thus collected from the primary sources were arranged in the simple tabular statements. Multiple regression method was used for the further analysis.

VII. DATA ANALYSIS AND INTERPRETATION

The following analysis shows the relationship between levels of satisfaction on technology enabled banking services and twelve independent variables that were studied. It was found that among these ten variables, seven variables were closely associated with the satisfaction of bank customers. In order to measure the interdependence of independent factors and their total contribution to the level of satisfaction, the results of the analysis were put into multiple regression analysis, and detailed results are shown in the following table.

TABLE 1
Opinion on technology enabled banking services

Va. No.	Statements
1	Online shopping facilities
2	Privacy is protected
3	Time taken for transactions
4	Pass words and PINs
5	Safety lockers information
6	ATM facility services
7	Mobile banking services
8	Security alerts
9	E banking services
10	Internet banking services
11	Credit card services
12	Bank charges on technology services

TABLE 2
Level of Satisfaction on Bank Services (Multiple Regression Analysis)

Variables	B	Std. Error	t	P
(Constant)	12.688	1.190	10.665	.000
Online shopping facilities	1.042	.296	3.521	.001
Privacy is protected	.641	.290	2.208	.028
Time taken for transactions	.575	.261	2.198	.029
Pass words and PINs	.455	.294	1.549	.123
Safety lockers information	.403	.262	1.535	.126
ATM facility services	.507	.290	1.751	.082
Mobile banking services	.826	.264	3.131	.002

Security alerts	-.094	.283	-.334	.739
E banking services	.931	.273	3.412	.001
Internet banking services	.402	.253	1.591	.113
Credit card services	.516	.223	2.312	.022
Bank charges on technology services	1.310	.264	4.966	.000

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.865(a)	0.748	0.732	3.122

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	5418.926	12	451.577	46.320	.000 ^b
Residual	1823.074	187	9.749		
Total	7242.000	199			

The Multiple linear regression components are found statistically a good fit. It shows the five independent variables contribute on the variation in the customers' satisfaction and statistically significant at 5% level.

The table indicates that the co-efficient of respondent's access to bank services, online shopping facilities, privacy is protected, Time taken for transactions, Mobile banking services, E banking services, Credit card services and Bank charges on technology services were significant at 1% and 5% level. It also noted that the variables such as Pass words and PINs, Safety lockers information, ATM facility services, Internet banking services, online shopping facilities, privacy is protected, Time taken for transactions, Mobile banking services, E banking services, Credit card services and Bank charges on technology services are positively associated with the level of satisfaction. Further, it indicates that these variables that contribute to the satisfaction level of the respondents on technology enabled services of banks are statistically significant implying that their influence is stronger than the other variables.

The rate of increasing the level of satisfaction shows better results of the independent variables such as respondents online shopping facilities with 3.521, with 2.208 units change in Privacy is protected, with 2.198 units change in Time taken for transactions, 3.131 unit change in Mobile banking services, with 3.412 unit change in E banking services, with 2.312 units change in credit card services, with 4.966 unit change in Bank charges on technology services, with 1.549 unit change in Pass words and PINs, with 0.535 unit change in Safety lockers information, with 1.751 unit change in ATM facility services and 1.591 unit change in Internet banking service.

VIII. SUGGESTIONS

- a. It is found that interest rate is not so significant for the banking customers to deal with security alerts. Most of the customers want to keep money safety, so they want more security options. The banks should mind it.
- b. It is suggested that the banks should use effective methods such as conducting seminars and banking meets, etc, to make the banking customers aware of all the privileges provided to them.
- c. It is suggested that the banks should give proper training to the persons in the phone banking and try to reduce time lag in transaction through phone banking.
- d. The banks should try to reduce the cost occurs during foreign exchange transaction.
- e. It is suggested that banks should use effective strategies to bring more customers under the private banking umbrella such as door step service, reduce the eligibility criteria to become a private banking customer etc.

IX. CONCLUSION

Since the development of the Internet and the information revolution that accompanied it, the world has become a borderless amalgamation of possibilities. The increasing advancements resulting from the expansion of information technology has fostered changes on a global playing field. Many profound changes can be seen in the areas of communication, cultural integration, and economic proliferation. Increased global partnerships and alliances have changed the face of business, specifically in the sector of banking. Although the Internet has opened new possibilities for private and commercial banks, it also has opened the door to some challenges. Banks are becoming increasingly advanced and interconnected offering a variety of self-service banking options online and subscribing to a global payment systems and global structures. In an attempt to remain on the cutting edge in the evolutionary world, banks and bank managers are challenged by the new technology and software systems used to make the finance world run smoothly.

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