

Original Research Article

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Assessment of Female Customers' Level of Satisfaction from E-Banking

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ABSTRACT

After demonetisation took place in 2016 it was a new boom in internet banking in order to proceed toward cashless economy. The paper deals the consumers perception towards e-banking system related to women customers' satisfaction from e-banking system with special reference to Udaipur District of Rajasthan. Through non -probability sampling total 50 Female respondents were surveyed. The data collected from the primary source were analysed with the help of various statistical measures such as simple percentage analysis, averages were used. Mean weighted score was calculated to analyse the level of satisfaction from various aspects of E-banking. The data was collected during the months between June to July, 2017. According to the study, the researcher concludes that the most of the female bank customers are aware about all the banking services in Udaipur district of Rajasthan. Further report states that respondents were highly satisfied with Quality of products/ services (MWS 4.00) provided online the banks further have to take necessary steps to educate the customers regarding the new technology and other services offered by the banks.

Keywords

Information
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Introduction

Information technology has become a necessary tool in today's organizations. Banks today operate in a highly globalized, liberalized, privatized and a competitive environment. In order to survive in this environment banks have to use IT. IT has introduced new business paradigm. It is increasingly playing a significant role in improving the services in the banking industry. Indian banking industry has witnessed a tremendous developments due to sweeping changes that are taking place in the

information technology. Electronic banking has emerged from such an innovative development. Modern technology is seen as a panacea for most of the ills that the banking sector faces today. Even at present, India is a relative unbanked country as the credit-to-GDP ratio is one of the lowest in the developing economies. So banks are facing the dual challenge of increasing penetration and high growth trajectory. The banking industry can kill two birds with one stone that is with help of technology. Tremendous progress took place in the field of technology which has reduced the world to a global

village and it has brought remarkable changes in the banking industry. Branch banking in the brick and mortar mode has been transformed into click and order channel mode (Lal and Saluja, 2012).

E-banking is the term that signifies and encompasses the entire sphere of technology initiatives that have taken place in the banking industry. E-banking is a generic term making use of electronic channels through telephone, mobile phones, internet etc. for delivery of banking services and products. The concept and scope of e-banking is still in the transitional stage. E-banking has broken the barriers of branch banking. E-banking came into being in UK and USA in 1920s. It became prominently popular during 1960s through electronic funds transfers and credit cards. The concept of web-based banking came into existence in Europe and USA in the beginning of 1980s. It has been estimated that around 40 percent of banking transaction would be done through Net. In India e-banking is of fairly recent origin. The traditional model for banking has been through branch banking. Only in the early 1990s there has been start of non-branch banking services (ET, 2009). The good old manual systems on which Indian Banking depended upon for centuries seem to have no place today. The credit of launching internet banking in India goes to ICICI Bank. Citibank and HDFC Bank followed with internet banking services in 1999. Several initiatives have been taken by the Government of India as well as the Reserve Bank to facilitate the development of e-banking in India. The Government of India enacted the IT Act, 2000 with effect from October 17, 2000 which provided legal recognition to electronic transactions and other means of electronic commerce. The Reserve Bank is monitoring and reviewing the legal and other requirements of e-banking on a continuous basis to ensure that e-banking would develop on sound lines and e-banking related

challenges would not pose a threat to financial stability. A high level Committee under chairmanship of Dr. K.C. Chakrabarty and members from IIT, IIM, IDRBT, Banks and the Reserve Bank prepared the "IT Vision Document- 2011-17" for the Reserve Bank and banks which provides an indicative road map for enhanced usage of IT in the banking sector (RBI, 2016). To cope with the pressure of growing competition, Indian commercial banks have adopted several initiatives and e-banking is one of them. The competition has been especially tough for the public sector banks, as the newly established private sector and foreign banks are leaders in the adoption of e-banking (Banson, 2008).

The current paper is an attempt to assess female customers' level of satisfaction from E-Banking with special reference to Udaipur District in Rajasthan state.

Competition and the constant changes in technology and lifestyles have changed the face of banking. Nowadays, banks are seeking alternative ways to provide and differentiate amongst their varied services. Customers, both corporate as well as retail, are no longer willing to queue in banks, or wait on the phone, for the basic banking services. They demand and expect a facility to undertake their banking activities where and when they wish to do (Uppal, 2011).

Internet Banking refers to a system allowing individual customers to perform banking activities at off-bank sites such as home, office and other locations via internet based secured networks. Internet or online banking through traditional banks enable customers to perform all routine transactions, such as account transfers, balance inquiries, bill payments and stop-payment requests, and some even offer online loan and credit card applications.

Some authors (Durkin, 2004; Lassar *et al.*, 2005; Martínez-Guerrero *et al.*, 2005) show

demographic variables affecting E- banking use, although most of the findings point to variables such as gender, age, income, level of education, occupation or family size affecting E- banking use (Ding *et al.*, 2007; Howcroft *et al.*, 2002; Mattila *et al.*, 2003).

Other factors could be helpful detecting existing segments regarding E- banking use: geographical and psychological criteria (Gounaris and Koritos, 2008; Kaynak and Harcar, 2005) attitudes, expected benefits (Machauer and Morgner, 2001) or the perception of the security and privacy risks (Chen *et al.*, 2002; Howcroft *et al.*, 2002). In addition, the property of financial products and perceptions and attitudes towards received services and Internet as a financial distribution channel (Martínez-Guerrero *et al.*, 2005), banking transactions conducted by clients (Zuccaro and Savard, 2010) or the number of banks used by customer, acquired bank products and the frequency of use (Dimitriadis *et al.*, 2011) are criteria that have been also analysed to explain E- banking use. Regarding elderly and technology and although they are not a homogeneous segment to banking market, a stereotyped profile of older persons has been used (Mattila *et al.*, 2003).

For this reason, our work aims to analyse the use of E- banking services in the elderly segment, analysing gender and the preference for personal contact in banking. Firstly, concerning gender and Internet use, it has been suggested that technology adoption differs between males and females.

Men tend to be more task-orientated (Minton and Schneider, 1980), systems orientated (Baron-Cohen, 2004) and more willing to take risks than women (Powell and Ansic, 1997). Men's decisions to use a computer system could be considered more influenced by the perceived usefulness while women's decisions would be influenced by the ease of use of the system (Venkatesh and Morris, 2000) and

there may be gender differences in the motivation, duration and enjoyment as E- consumers (McCloskey, 2006).

Given that females have traditionally expressed more negative attitudes and greater levels of anxiety toward computers than males (Nayak *et al.*, 2006), less self-perceived competence and a lower ease of use with respect to the Internet (Wood *et al.*, 2010), it seems reasonable to consider that Internet banking use may be depend on gender. Therefore, we expect that older women use Internet banking less than men. Secondly, some people prefer technology-enabled services be provided precisely because it eliminates the need for personal contact and interaction with service personnel and other customers and even they find it enjoyable (Walker and Johnson, 2006; Curran *et al.*, 2003). Others, however, prefer to deal or interact with people rather than machines, which are often thought to be impersonal and incapable of providing a personalized service (Dabholkar and Bagozzi, 2002; Walker *et al.*, 2002).

For this, it is reasonable to expect that customers who desire personal interaction with the bank may be reluctant to adopt and use technologically facilitated means of service provision, simply for their preference toward the personal element and the opportunity of social interaction (Curran and Meuter, 2005; Patsiotis *et al.*, 2012). Desire for personal contact does have negative impact on usage of internet banking (Walker and Johnson, 2006), while "self-sufficient" financial customers, preferring to make their financial decisions on their own, without need of advice from their financial entities, are more likely to use the Internet for banking transactions (Martínez-Guerrero *et al.*, 2005). Therefore, we expect that elderly with high preferences for personal contact use E- banking less than self-sufficient ones.

Internet banking is one of the most successful business-to-consumer applications in electronic commerce (Al-Jabri and Sohail, 2012). Internet banking (E- banking) is a channel that allows consumers to perform a wide range of financial and non-financial services through a bank's website (Hoehle *et al.*, 2012) E- banking has emerged as one of the most profitable e-commerce applications along the last decade (Lee, 2009; Yuen *et al.*, 2010). Moreover, E- banking customers are the most interesting for banks (Pikarainen *et al.*, 2004), showing an increased satisfaction, more positive word-of-mouth communications and the lowest intention to change to other financial institutions (Mols, 1999). However, although the growth from 2008 to 2012 is noticeable (31% for Europe and 60% for Spain) not everyone uses E- banking: a 38% of the population aged from 16 to 74 years in Europe and only a 32% in Spain. But age is not the single socio demographic variable explaining differences in UE countries; it is also possible to capture these differences in the use of E-banking across genders (Eurostat, 2013).

Materials and Methods

The study is intended to assess female customers' level of satisfaction from e-Banking provided by banks in Udaipur district. Data for this investigation were collected from primary source. The sample chosen consisted of 50 female respondents representing the customers of E-banks.

The women customer using E- banking at least from last one year. The data was collected during the months between June and July, 2017. The research report is based on primary data. The data collected from the primary source were analysed with the help of various statistical measures such as simple

percentage analysis, averages were used. Mean weighted score was calculated to analyse the level of satisfaction from various aspects of E-banking.

Results and Discussion

Table 1 is eliciting the data related to demographic characteristics of the respondents, through which it is clear that 8 per cent of the respondents belong to up to 25 years, 50 per cent of the respondents belong to between 22-35years and 16per cent of the respondents were in the age group of 35-45years and the mean age group is 33.41 years. Thirty four per cent of the respondent's occupational status of respondents was government employee and 26 per cent were private sector employee, 20 per cent were involved in some kind of business and rest 20 per cent were student. Out of 50 female E-banking customer 6 per cents of the respondent's educational qualification was school level and 20 per cent of the respondent's educational qualification was college level and 58 per cent of the respondent's educational qualification is professionals and 16 per cent of the respondent's educational qualification is diploma whereas no one of them were illiterate.10 per cent of the respondents reported that their family's monthly income was upto 30, 000 Rs, 26 per cent inferred that the family's monthly income was between 30-40 thousand Rs, 38 per cent respondents were belonging to family monthly income 40-50 thousand Rs. Rest 26 per cent were having monthly family income of above 50 thousands Rs. From the survey the table reveals that 62 per cent of the respondents were married and rest were unmarried. More than half (54%) of the respondent inferred that they prefer public sector bank and rest (46%) were having first choice of private sector bank.

Table.1 General profile of respondents

n= 50

S. No.	Characteristics	Category	Frequency (percentage)
1.	Age (Years)	Up to 25 years	4(8)
		25-35	25(50)
		35-45	16(32)
		45-55	5(10)
		Above 55	0
2.	Occupation	Student	10(20)
		Govt Employee	17(34)
		Private Employee	13(26)
		Business	10(20)
3.	Educational Qualification	Illiterate	0
		School level	3(6)
		College level	10(20)
		Professional	29(58)
		Diploma	8(16)
4.	Family Monthly Income (Rs)	Upto 30,000	5(10)
		30,000- 40,000	13 (26)
		40,000- 50,000	19 (38)
		Above 50,000	13 (26)
6.	Marital Status	Unmarried	19(38)
		Married	31(62)
7.	Preferred bank	Public sector bank	27(54)
		Private sector bank	23(46)

Table.2 Frequency distribution of students' as per their level of satisfaction from various aspects of online shopping

n=50

S. No.	Customer preference	Level of satisfaction					Mean Weighted Score
		Extremely Satisfied (5)	Satisfied (4)	Neutral (3)	Dissatisfied (2)	Extremely Dissatisfied (1)	
1.	Mobile Banking	3 (6)	6 (12)	25 (50)	11 (22)	5 (10)	2.82
2.	E-Cheques	-	-	33 (66)	-	-	1.98
3.	Phone Banking	6 (12)	18 (36)	18 (36)	3 (6)	5 (10)	3.34
4.	Credit /Debit cards	4(8)	2 (4)	26 (52)	15 (30)	3 (6)	3.18
5.	Personal privacy and security	-	19 (38)	24 (48)	7 (14)	-	3.24
6.	Price of the products/ service	7 (14)	13 (26)	25 (50)	5 (10)	-	3.54
7.	Product Presentation	9 (18)	17 (34)	24 (48)	-	-	3.70
8.	Quality of products/ services	23 (46)	9 (18)	14 (28)	3 (6)	1 (2)	4.00

Table.3 Summary of level of satisfaction from various aspects of E- banking

S. No.	Level of satisfaction	Aspects
1.	Extremely Satisfied (*MWS 4.10-5.00)	<ul style="list-style-type: none"> Quality of products/ services
2.	Satisfied (MWS 3.10-4.00)	<ul style="list-style-type: none"> Product Presentation Price of the products/ service Personal privacy and security Credit /Debit cards Phone Banking
3.	Neutral (MWS 2.10-3.00)	<ul style="list-style-type: none"> Mobile Banking
4.	Dissatisfied (MWS 1.10-2.00)	<ul style="list-style-type: none"> E-Cheques
5.	Extremely Dissatisfied (MWS 0.00-1.00)	None of the aspect

Customers' motivation is basically affected by many factors. The researcher has portrait various level of agreement with respect to different factors in female respondents' preference regarding E- banking. Majority of respondents (64%) strongly agreed that they find online banking time saver and this makes them use this. According to 50 per cent of the respondents e- banking ensures more accuracy than the manually doing it, which again has great role. Majority of (68%) respondents were strongly agreed that ubiquity is an important factor in this context. Accordingly, 80 percent women respondents E- banking ensures transparency and 70 percent were falling for the speed with which the actions are performed in E- banking. However very few of them accepted that they do E- banking for the sake of social status.

The mean weighted score was also calculated for each aspect to judged level of satisfaction of female E-banking service users. The figures presented in Table 2 extrapolates that the highest level of satisfaction with mean weighted score 4 was derived with respect to the aspect Quality of products/ services provided by E- banking providers. Next in

order were the aspects such as Product Presentation (WMS 3.70), Price of the products/ service (WMS 3.54), Personal privacy and security (WMS 3.24), Credit/ Debit cards (WMS 3.18) and Phone Banking (WMS 3.34) were falling. It can interpreted that the majority of the aspect were falling in this category. The least mean weighted score calculated was 1.98 with the aspect of E- cheque as many women were either unaware of it or have never used this. It was observed through the data that respondents were neutral about Mobile banking facility provided through E- banking and none of them were extremely dissatisfied from any of the aspects as shown in MWS calculated.

To be more precise and meaningful the researcher has made a summary of respondents level of satisfaction from various aspect of E- banking which is very systematically presented in Table 3.

According to the study, the researcher concludes that the most of the bank customers were aware about all the banking services in Udaipur District of Rajasthan. The banks further have to take necessary steps to educate

the customers regarding the new technology and other services offered by the banks. Banks may extend customer meeting time with bank officials and also friendly approach is necessary. Definitely it will help to retain the existing customers and to attract new customers. It will automatically improve the banking service and development of banks in India and also in abroad. The research report is useful to know the consumer awareness of e-banking system and level of satisfaction derived in e-banking system.

The research report is based on primary data. According to the study, the researcher concludes that the most of the bank customers were aware about all the banking services in Udaipur District of Rajasthan. The banks further have to take necessary steps to educate the customers regarding the new technology and other services offered by the banks. Results have shown that most of the customers were satisfied from the bank services provided online. Banks may extend customer meeting time with bank officials and also friendly approach is necessary. Definitely it will help to retain the existing customers and to attract new customers. It will automatically improve the banking service and development of banks in India and also in abroad. The research report is useful to know the consumer awareness of e-banking system and what types of risk involved in e-banking system.

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