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CUSTOMER SATISFACTION'S ROLE AND PERFORMANCE IN E-BANKING SERVICES

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ABSTRACT

The research is conducted using a descriptive research design. According to the study's findings, the benefits that customers receive lead to increased customer satisfaction. In e-banking services, gaining consumer loyalty is a confusing characteristic. Customer happiness, rewards, problems, and trust are highlighted as influencers of loyalty. Customer difficulties, on the other hand, have an impact on customer satisfaction. Customer trust has been demonstrated to have no significant impact on loyalty. The effect of the service quality variable on customer satisfaction was measured using the multiple regression technique. The article looks at the relative importance of each factor that affects customer happiness. The major goal of this study is to determine how the quality of E-banking services affects consumer satisfaction

KEYWORDS: E-banking, Customer Satisfaction, Role, Performance, E-wallets.

INTRODUCTION

The banking sector is critical to a nation's economy and the smooth and effective operation of society's various activities. Every activity's lifeblood is finance. Finance plays an important role in a country's economic development. This is the heart of the economy's money market. The most important segment of the financial industry is banks. In general, banks gather money from people who have extra cash or who strive to save it from their earnings and lend it to people who need it.

Banks serve as conduits for credit generation and economic transformation. The banking business in India undertakes a wide range of difficult tasks. In India, the Banking Regulation Act, 1949 defines a bank as a banking company and a banking company is a firm that transacts banking business in India. Banking is defined in as accepting deposits of money from the public, repayable on demand or

otherwise, and withdrawals by check, draught, or order or other means for the purpose of lending or investing.

Role of E-Banking

The Indian banking sector has a total asset value of USD 2 trillion, with 222,318 ATMs, 143,848 operational commercial offices, and 1.6 billion deposit accounts. 53.4 percent of credits and 68.7 percent of deposits are based on GDP. Out of the 1,43,848 active commercial bank branches, 87,384 were in rural and semi-urban areas, and out of the 2,22,318 ATMs, 1,00,512 were in rural and semi-urban areas.

The rise of social media, mobile phones, corporate analytics, cloud computing, and the internet of things has accelerated the adoption of digital banking and transactions. The digital banking solutions have been upgraded to provide more sophisticated transactions and voice-based payments. Apple Pay, Google Wallet, and Samsung Pay are three important technologies that are reshaping the financial business on a global scale. They also perform digital banking and currency transactions. Digital payment wallets such as Bharat bill pay, UPI, and others carry out digital transactions in India. Banks in India have constructed massive digital branches and are employing more biometrics in their operations.

Performance of E- Banking

India is always referred to as a cash-based economy, with a circulation value of 11% of its gross domestic product. However, many Indian individuals do not have bank accounts or have restricted access to banking, and technology does not enable financial services. The Indian government is taking different initiatives to include those who do not have bank accounts, such as enlisting the cooperation of telecoms and business correspondence to assist banks in delivering financial services.

The modern youth prefer to make online payments because it decreases the risk of money, credit card, and other forms of identity theft. According to a survey conducted by the computing world corporation, roughly 56 percent of consumers worldwide will prefer convenient digital or mobile payment choices by 2020. Emerging economies will be intelligent enough to use smart phones to make payments.

The Mix of Payment Instruments

According to a poll conducted by Boston consultants' group (BCG), India's traditional cash-based economy accounts for 78 percent of all consumer payments. In 2010, the figure was 82 percent, and in 2005, it was 92 percent. Cash transactions fell to 0.8 percent in the years 2005-2010, and then to 2.6 percent in the years 2010-2015. For the year 2015, the following table depicts the payment

instrument mix of established and emerging markets.

REVIEW OF LITERATURE

Mukarji (2014). Credit Appraisal, Risk Analysis, and Decision Making - An Integrated Approach to On and Off-Balance Sheet Lending," according to the report. The book goes through every facet of commercial bank financing. various economic areas, fund-based and non-fund-based finance, and analysis theoretical knowledge of credit appraisal procedures, extensive comprehension of balance sheet features of bank lending, RBI lending standards, and so on

Kundu (2015). Remarked with a comment that customer happiness in Indian banks is influenced by a few causative fundamental aspects such as product qualities, employee traits, customer convenience, bank tangibles, transaction costs, and customer communication. Furthermore, in Indian banks, convenient location was shown to be unimportant in determining customer happiness. discovered that there is a link between e-service quality, trust, and customer pleasure. 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.

Usman, Monoarfa, & Marsofiyati (2020). According to Hammoud, Bizri, and El Baba (2018), customer happiness is the key goal in every business environment, and effective business-customer connections allow businesses to develop useful skills and improve results. In this regard, Sardana & Bajpai (2020) shown a positive association between consumer happiness and financial performance. Similarly, Asiyandi and Ishola (2018) discovered that organisations that prioritise meeting their customers' needs achieve higher levels of efficiency. To be competitive in a global environment, banks must learn to concentrate and produce both products and services that will cater to a diverse consumer base. This necessitates a stronger focus on establishing and maintaining a competitive advantage through research into the major driver of customer happiness in order to accelerate the process.

Pooya, Khorasani, & Ghouzhi (2020). Banks employ a range of media to adjust their goods and services to fit customer needs, since they know that customer pleasure is critical to the success of E-banking. In various places of the world, Research examining the acceptance and use of e-banking services has increased around the world. However, the emphasis has shifted. Rather than customer happiness, the focus has been on the factors that influence online banking adoption (Liébana).

Cabanillas et al., 2013, Cabanillas et al., (2013). Cabanillas et al Customer satisfaction with E-banking services is high, according to Zafar et al. (2011). This media is directly linked to the services provided by the firm. Customers' contentment with Prior positive encounters with the bank's website's online offerings influenced the decision. Customer loyalty and positive word-of-mouth (Raza et al., 2020; Haq & Awan, 2020; Ahmad & Al-Zubi, 2020; Ahmad & Al-Zubi, 2020)

Objective

- To study about role and performance of e banking service
- To identified the e banking customer satisfaction

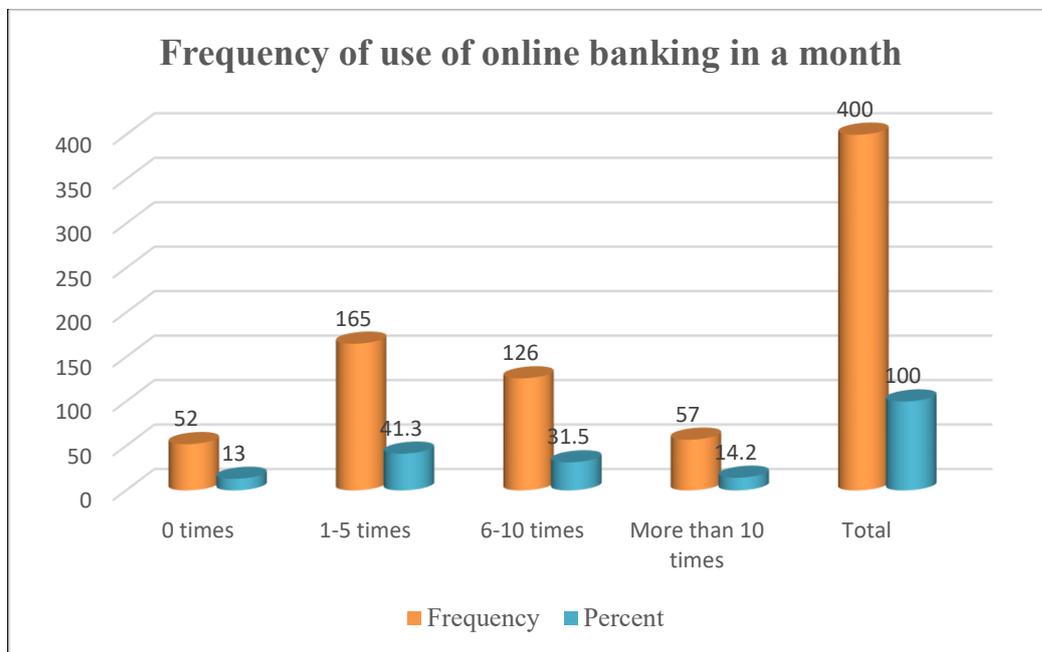
RESULTS AND DISCUSSION

Table No. 1
Frequency of Use of Online banking in a month

Frequency of use of online banking in a month	Frequency	Percent
0 times	52	13.0
1-5 times	165	41.3
6-10 times	126	31.5
More than 10 times	57	14.2
Total	400	100.0

Source: Secondary Data

Figure-1
Frequency of Use of Online banking in a month



It is clear from the table that 41.3 percent of the respondents use online banking 1-5 times in a month, 31.5 percent of the respondents use online banking 6-10 times in a month, 14.2 percent of the respondents use online banking more than 10 times in a month and 13.0 percent of the respondents

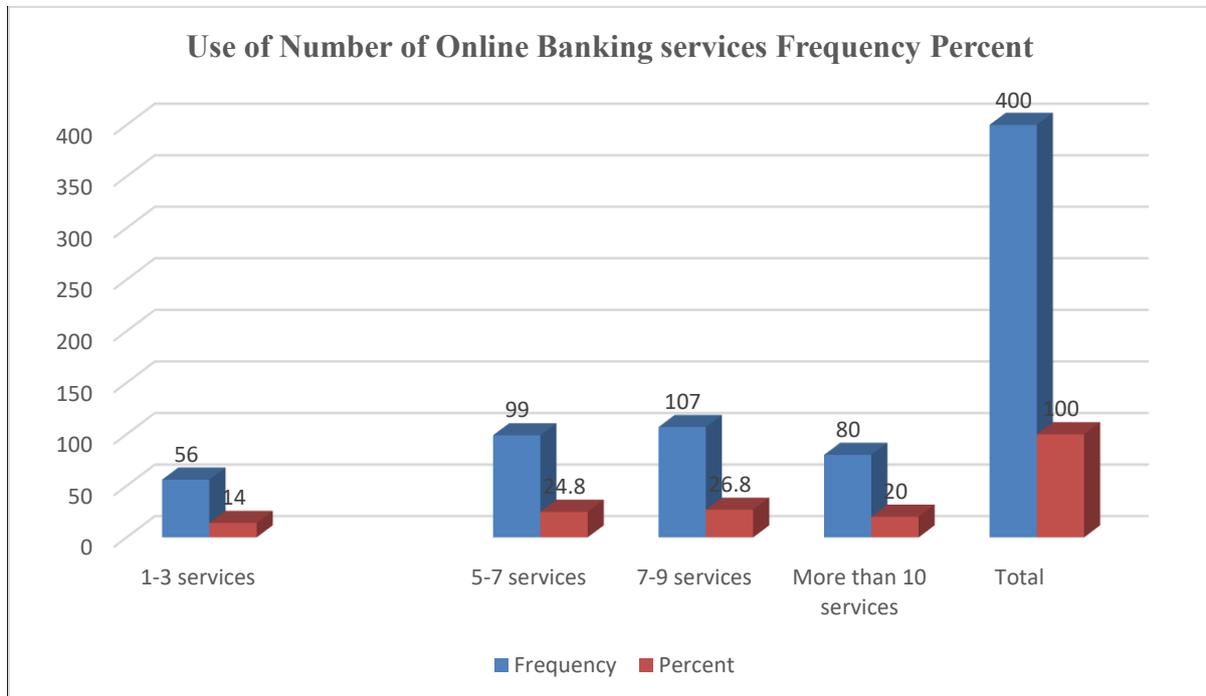
never use online banking services.

Table No.2
Use of No of Online Banking Service

Use of Number of Online Banking services Frequency Percent	Frequency	Percent
1-3 services	56	14.0
5-7 services	99	24.8
7-9 services	107	26.8
More than 10 services	80	20.0
Total	400	100.0

Source: Secondary Data

Figure No. 2
Use and Number of Online Banking Service



From the table, it can be inferred that 26.8 percent of the respondents use 7-9 services of online banking services, 24.8 percent of the respondents use 5-7 number of online banking services, 20.0 percent of the respondents use more than 10 services, 14.5 percent of the respondents use 3-5 number

of online banking services and 14.0 percent of the respondents use 1-3 number of online banking services.

Factor Analysis

The KMO for the individual variables can be found by looking at the problem identification while using e-banking All these variables should have a KMO less than 0.001 percent level of significant and preferably higher in this case, the variables were slightly below the threshold, but there were no large changes in the overall KMO measure when these variables were removed, and the test was re-run. Therefore, it was decided to keep all the variables.

**Table No. 3
To Analyse the Problem Identified While Using E-Banking**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.779
Bartlett's Test of Sphericity	Approx. Chi-Square	1947.844
	Df	66
	Sig.	.000

Rotated Component Matrix				
Short Description of Variables	Component			
	1	2	3	
Hacking of password is possible	.808			Lack of Security
Lack of clarity in procedures	.798			
Lack Security	.715			
Lack of Personalised touch	.644			
Delayed complaint handling process	.557			
Poor network		.806		Inadequate facilities
Lack of technological requirements		.741		
Inadequate knowledge		.639		
Time consuming		.628		
Complex process			.836	Complex
Frequent change in passwords			.709	
Hanging websites			.648	

Eigen value	4.459	1.694	1.368	
Percentage of Variance	37.154	14.115	11.369	
Total variance	62.665			

The below table indicates that KMO Measure of Sampling Adequacy test is significant (because the test value is greater than 0.700 at 0.825) and Bartlett's Test of Sphericity is also found to be significant (approx. Chi-square = 4522.501, df = 325, Significance 0.000). This indicates that the dataset is fit to perform factor analysis. Varimax Rotation Technique is used to examine the obtained factors, and all item loadings above 0.40 are considered for the scale in factor analysis.

CONCLUSION

E-commerce, particularly electronic banking, is here to stay. While infrastructure, security, awareness, and literacy issues plague it, it is unquestionably the best alternative to traditional branch banking. The cost of manpower, bricks, and mortar is rising. mortar structures, as well as an understanding of the benefits that come with them, such as in the future, environmental conservation will be the first choice of the younger generation. Thus, for all parties involved, such as banks and customers, there is a need to collaborate. Businesses and the government can profit the most from electronic banking. Overall consumer happiness with banking services and customer contentment with e-banking services are closely associated, indicating the importance of e-banking services, according to the research. The revealed that satisfaction with e-banking services is unaffected by gender or living environment (rural/urban). However, when compared to other age groups, satisfaction with e-banking services is much. Our findings are consistent with prior research by Gikandi and Bloor (2010) and Mukhtar (2015). Furthermore, statistically significant disparities in satisfaction with e-banking services were discovered between professional groups as well as income groups.

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