

A Study of the Impact of Digital Banking on Satisfaction Level of Customers in Faridabad

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INTRODUCTION

As a result of growing restrictions and competitive pressures, banks have been pushed to deleverage and seek out alternate sources of value. This has resulted in the emergence of digital banking, in which technology is primarily used to carry out transactions. Customers, on the other hand, are still waiting for this new banking experience, which is being billed as a game-changing makeover that would include features like anytime, anywhere banking, ultra-fast response times, and omnipresent advisors. The goal of this study was to see how digital banking affected customer satisfaction at the National Bank of Kenya in Faridabad.

The study was directed by four objectives: Estimate the effects of transaction speed, assess the effects of accessibility, determine the effects of adaptation of digital banking, and determine how affordable digital banking. The purpose of this study is to determine how the affordability of digital banking affects customer satisfaction in the case of the National Bank of Kenya in Faridabad. The study's target audience was National Bank clients and bank employees in Faridabad. The study used a sample size of 114 people, including 42 people participating in the pilot trial In Faridabad.

Features

- Customer satisfaction is the most important factor for the long-term success of any organization.

- The primacy of the bank's relationship with its customers is under threat as never before.
- Demands and expectations continue to evolve, often fueled by experiences outside financial services, and consumers are increasingly developing relationships with multiple providers
- The industry has been in a comfortable position for decades with low customer turnover, almost no regional competition, good personal relationships and trust as selling points, and not much intervention from regulators.
- Staying ahead of the curve was easy, and there was no pressure to change. Competitors from adjacent industries and financial technology startups are now flooding the market with innovative, technology-driven deviations from the traditional banking mode, MPESA a good example in Kenya Kumari.
- Customers now are making decisions much faster and have access to a plethora of offers, leaving financial institutions struggling for customer loyalty.

Significant Terms

- **Digital banking:** technology driven banking. (That is E-banking, Digital

wallets like PayPal, Mobile banking, ATMs, RTGS and POS terminals.

- **Customer Satisfaction:** a measure of how a customer responds having used digital banking platforms that makes them remain loyal to the bank, or lead to increase in the numbers of customers using the various digital channels platforms to do their banking In Faridabad.
- **Commercial Bank:** is a bank that works with businesses handling banking needs for large and small businesses including lending money for real and capital purchases, foreign exchange etc.
- **Speed of Transactions:** A measure of the quickness of a transaction using digital banking, to deliver desired result in a timely manner In Faridabad.
- **Accessibility:** Extent to which a consumer or user can obtain a good or service at the time it is needed and at the convenient location and contact the organization which is in charge of that particular good or service.
- **Adaptability:** Ability of a bank customer to alter their responses to the changed circumstances or environment brought about by digital banking. Adaptability shows the ability to learn from experience.
- **Affordability:** A price or cost that is believed by bank customers to be within their financial boundaries in Faridabad.

ONLINE BANKING SERVICES ARE FACED WITH PROBLEMS

1. Security Standards and Technology

As suggested in the Group's study, banks should appoint a network and database administrator with clearly defined tasks.

The Board of Directors of a bank should have approved a security policy. There

should be a separation of duties between the Information Technology Division, which actually implements the computer systems, and the Security Officer/Group dealing only with information system security. The information systems will be audited by an Information Systems Auditor as well.

2. Issues of the Law

In light of the current legal situation, banks are required to not only verify the identity of prospective customers, but also to investigate their integrity and reputation. As a result, even though account requests can be received over the Internet, accounts must be opened in person.

3. Issues of Regulation and Oversight

The existing regulatory framework for banks will be expanded to include Internet banking, as recommended by the Group.

Risks

In comparison to traditional banking, e-banking entails several unique hazards. In the case of Internet banking, these hazards are particularly pronounced. To begin with, the dangers of technological change must be closely monitored. It is critical to do so in order to stay current with technology.

Issues of Security

Online bankers are constantly concerned about hackers and anti-social elements when making online payments or transferring money from one account to another. Unscrupulous hackers can use hacking to gain access to online bankers' accounts and misuse their funds.

The Internet's Usefulness

One must have Internet access in order to take advantage of online banking's perks. He'll need a computer, laptop, or PDA device, as well as access to the Internet, for this.

Scope of the study

The findings and recommendations from the study could be valuable to bank executives and policymakers in assessing how best to

embrace digital banking and filling the gaps that exist in order to improve consumer satisfaction. The research could also reveal how important customer happiness is to the banking industry's success in terms of expanding market share and profitability in the face of fierce competition. In terms of the problems that lie ahead, the report could be critical for emerging financial institutions.

LITERATURE REVIEW

The Consumers of digital banking will appreciate the convenience of being able to send and receive payments and instructions over the internet banking system. Consumers can transfer money from one account to another through internet banking, often known as E-banking. Customers' perceptions of the E banking system and services reveal their level of satisfaction, which can be interpreted as a function of perceived ease of use.

It was stated that the bank must educate its personnel in order for consumers to receive sufficient training in order to use the bank's services. e-CRM was used to deliver the services. These features were included so that even long-time clients may benefit from them. It's been established.

In 1950, there was a "structure-conduct-performance" model that explained a company's profitability, and there was a basic framework for this that was expanded and enriched thanks to research in various sectors and improved methodology. In terms of industry specific Influence on the market environment, the approach chosen by the company or the performance pattern of the company were utilized to characterize.

In 2017, it was shown that the quality

dimensions of internet banking services have a substantial impact on client happiness. Efficiency, system availability, fulfilment, privacy, contact, responsiveness, and contact each account for 70% of overall customer satisfaction in the E banking or online banking system. As a result, these Dimensions were vital.

After offering all of these services and evaluating the bank's performance, it was necessary to determine the level of client happiness in order to improve internet banking implementation. It was critical to disseminate knowledge or information about internet banking, thus an electronic media campaign was created, focusing on how internet banking addresses concerns regarding ease of use, capacity, and credibility. The electronic media campaign aided and encouraged customers to use internet banking, as well as retaining current customers.

The adoption and proper use of internet banking by senior citizens constituted a significant barrier. Senior citizens must also deal with transactions involving their pensions and retirement benefits, which should be handled without difficulty using E banking. The bank devised a strategy to reduce the use of traditional banking techniques while increasing the use of internet banking, so attracting more clients to the latter. As a result, even senior citizens have attempted to learn how to use internet banking. The more transactions they require, the easier and more comfortable they have become.

- Examine the characteristics that influenced clients in Malaysia to use digital banking services, according to Massilamany and Nadarajan (2017). The dependent variables would be trust, security, knowledge, convenience, and self-efficiency, while the independent variables would be trust, security,

knowledge, convenience, and self-efficacy. The dependent variable has an effect on the individual variable, according to this study.

- Gupta (2017): The purpose of this study was to look at how the Indian banking system was changing, and how the system was transitioning from traditional to convenience, popularly known as cash to click. Secondary data proved to be extremely beneficial in examining banking system trends. Because of the digital transactions, the study explains the kind, marriage, and marriage of each bank. In addition, the scientists.
- M Vasan (2017): According to this study, banks should educate their workers so that they can provide sufficient training to customers so that they can utilise the digital banking system more smoothly. The study also discovered that bankers must employ the appropriate technique to attract customers, who can include students, government employees, and professionals.
- In their study, Firdous S, Farooqi R.(2017) found that the dimensions of internet banking quality have a significant impact on customer satisfaction. Efficiency, privacy, contact, fulfilment, system availability, responsiveness, and individual contact are the dimensions. These factors all contribute to a high level of customer satisfaction with internet banking.
- In this study, the researcher looked into the banking industry's innovation in Russia. They have developed the digital banking idea, which comprises digital payments, innovative banking, digital banking to digital banking, and card payment. According to the researcher, bankers should accept technology and provide services at a low cost, as well as increase consumer loyalty to internet banking, which would eventually lead to customers using current banking technology or banking systems.
- According to the findings, there is a very modest association between cashless payments and education level, as well as cashless payments and money obtained. It also found that there was a very high positive correlation.
- Pardhasaradhi Madasu (2015): The researchers gathered data from the RBI database for two cashless transactions from 2004-05 to 2014-15 for this study. In which it was discovered that India does not rank among the top 16 non-cashless markets in the world, although China does. It was also shown that India has a substantial impact on the use of credit or debit cards at ATMs. However, internet transactions, which may use quick payment systems like Wallet, have had little influence. That is to say, internet banking was lacking, and lenders should try to improve their offerings.

- K.sumathi, Miss K.sumathi, Miss K.sumathi, Miss K.sumathi, Miss

Races are discussed, as well as the very crucial issue that customers face. She stated that the Indian banking business serves customers in both urban and rural areas. The banks give them with the same quality of service, and consumers in rural and urban areas are equally satisfied; there is no discernible difference between the two groups of customers. However, in compared to private sector banks, the behavior of public sector personnel is not as supportive to the urban area.

- Muhammad Rana (2012): According to the findings of this study, an online, internet, or electronic media campaign should be launched. Which concentrates on internet banking addresses to the people who are worried about using.
- G Sivkrishna (2011): In this study, the researchers found that senior citizens Mili use internet banking to do transactions related to their pensions and retirement benefits. In addition, the bank should reduce the use of traditional techniques and increase the use of modern or internet banking services. To entice more consumers to E banking, the bank should engage in this activity.
- Berndt et al., (2010): The researchers evaluated the willingness of clients to accept new banking technology in their study. Customers are motivated to join or utilize internet banking services for a variety of reasons, according to research. Optimism and creativity are

two of the reasons. This also demonstrates that the majority of consumers are accepting and adopting new technologies, but that certain consumers are hesitant or unable to adopt modern culture changes. As a result, it is the bank's job to educate and enhance the services provided to customers who are falling behind.

- Darlington, L (1999): According to the study, bank services were previously inconvenient because customers had to physically visit a bank branch to conduct financial transactions, which took a long time. As we introduced more modern services and technology and methods improved, internet banking emerged, allowing customers to conduct transactions without having to visit a bank branch, saving them time and making transactions more convenient for them. As a result, customers became more interested in internet banking. The banking service sector, as we all know, has evolved and progressed. Furthermore, the researchers recommended that the modern era focus on.
- Many studies were undertaken to track the evolution of internet banking, which undoubtedly aided in the teaching of internet banking as well as attracting people to use the service. Even financial services were improved as a result of the academics' research. The studies listed above are ones that have been undertaken to date and have assisted researchers in determining where Internet banking services are weak. People of all types, including students, government officials, joggers, and

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As we all know, consumers in Asia have been drawn to digital technology and have increased their usage of the internet through social media, the internet, and e-commerce platforms. They used their preferred gadgets for this, such as smartphones, laptops, tablets, computers, and so on. As a result of increased internet usage, there has been a 65 percent increase in internet traffic. According to the new digital reality, the same holds true for online banking. The majority of customers are adopting and using digital banking, whether on their smartphones or laptops.

Research methodology:

Research was conducted under two steps:

- Primary Research- where the review or exploration exercises are done in direct, the review is done recently with the current conditions and assets accessible in the environment.
- Secondary Research - where the outcomes have been determined with the assistance of essential information or exploration, the optional

information is additionally characterized as the investigation and translation of the essential examination. Optional information in some cases requires two unique kinds of essential information for the examination of information and their translation.

The poll was done to gather data for the study and to assess how satisfied consumers are with the internet banking services they are looking for. The primary data was gathered through research papers and several online publications, while the secondary data was gathered mostly through a questionnaire-based survey. Prepared for consumers to assess their level of satisfaction.

Limitations of the study:

- The outcome of the research showed a comprehensively integrated framework for E- Banking services along with the dimensions of Accessibility, Convenience, Privacy, Security, Design, Content, Speed and Fees and Charges involved in online Banking. However, this research still predicts that further research efforts are being needed to examine additional variables.
- The other concern is that this study's result cannot be compared directly with those of other research studies, as there is virtually no previous research into measuring all these factors combined on E-banking services of commercial banks at once.
- In addition, factors affecting consumers' perception and banker's perception in the e-banking banking sectors were measured, making it difficult to draw

comparisons due to a lack of related literature.

- This study examined only few factors taken from theories and literatures that influence customers' perception and banker's perception towards the e-banking services of commercial banks. In this study, other factors were not included like Familiarity, Exploration, Trust, Status, Hand set operability, Scalability, Reliability, Efficiency, Empathy, Compensation and Satisfaction.
- On the other hand, several other factors such as consumers learning, memory, demographic variable like consumers' age, ethnicity, education, income level, gender effect could also influence consumers' perception towards e-banking service sector.
- Moreover, it is also needed to extend full-scale behavioral intensions of consumers upon e-banking services sector in order to match consumers' overall behavioral patterns with the decision-making criteria of the e-banking service sector.

Data collection

The survey method of collecting data is based on the questioning of respondents. They are asked variety of questions regarding their behaviour intentions, attitude, awareness and motivations. In structured data collection, a formal questionnaire is prepared thus the process is direct.

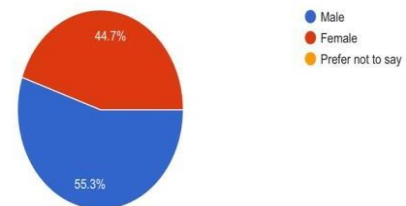
The questionnaire designed for this project consists of questions based on various parameters such as job age gender educational qualification etc, to come out with this research report.

Descriptive Data analysis

GENDER	NO. OF RESPONSE
MALE	63
FEMALE	51

Gender

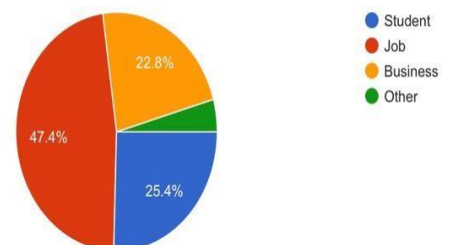
114 responses



JOB	54
STUDENT	29
BUSINESS	26
OTHER	5

What is your job title or occupation?

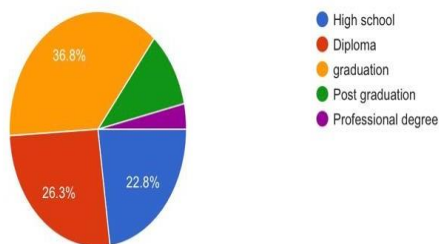
114 responses



DIPLOMA	30
HIGH SCHOOL	26
POST GRADUATION	12
GRADUATION	42
PROFESSIONAL DERGEE	4

Education qualification

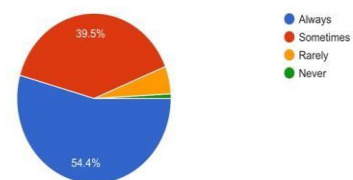
114 responses



ALWAYS	62
SOMETIMES	45
RARELY	6
NEVER	1

How often do you prefer digital banking?

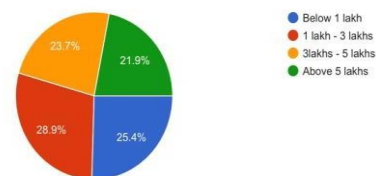
114 responses



Below one lakh	29
1 lakh -3lakh	33
3lakh- 5 lakh	27
Above five lakh	25

What is your annual income?

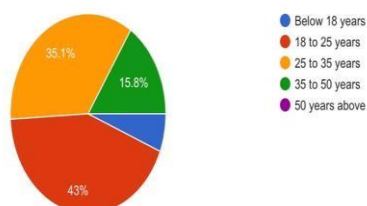
114 responses



BELOW 18	7
18-25	49
25-35	40
35-50	18

How old are you?

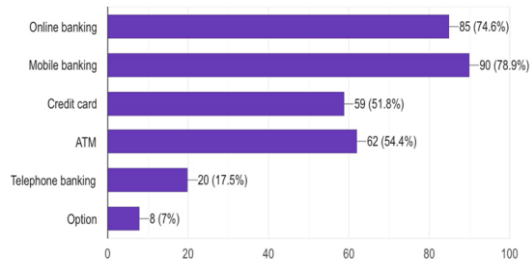
114 responses



Online banking	85
Mobile banking	90
Credit card	59
ATM	62
Telephone banking	20
Other	8

Which services are provided by your bank?

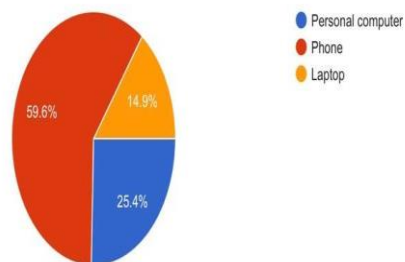
114 responses



Phone	68
Personal computer	29
Laptop	17

Which device do you use for digital banking?

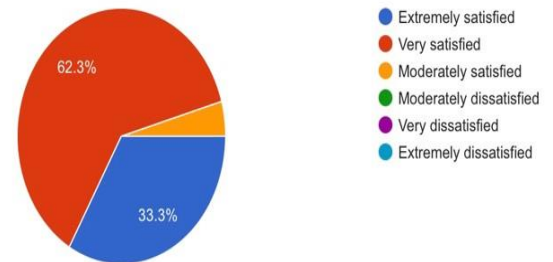
114 responses



Extremely satisfied	38
Very satisfied	71
Moderately satisfied	5
Moderately dissatisfied	0

Are you satisfied with the site of internet banking portal is clear, the content and picture of the portal site are usually friendly

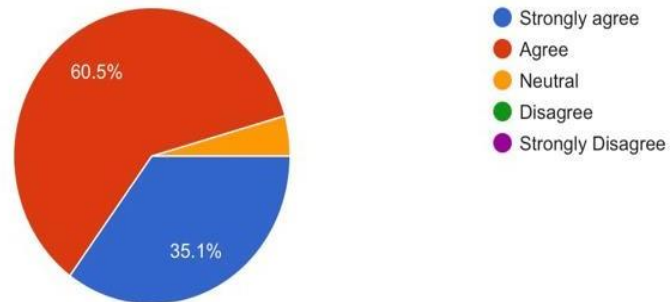
114 responses



Strongly agree	40
Agree	69
Neutral	5
Disagree	0
Strongly disagree	0

The transaction which are processed online are accurate.

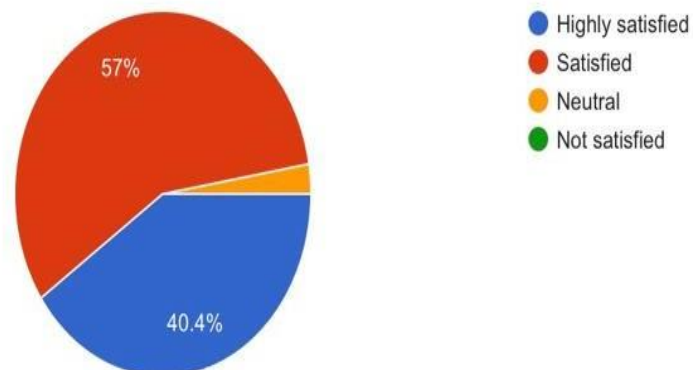
114 responses



Highly satisfied	46
Satisfied	65
Neutral	3
Dissatisfied	0

What is your satisfaction level

114 responses



CONCLUSION

This research is divided into six sections: presentation and strategy, writing survey, sketch of banking sector, patterns and investors' perceptions of online banking administrations, data examination and translation, and finally figured out the findings and recommendations. It gives clients and recipients of internet banking a new perspective. With one key exception, internet banking is extremely similar to traditional banking. For exchanges, you don't need to go to the bank. Which makes the customer more satisfied. Overall, you may access your record at any time and from any location on the earth, and you can do it whenever you want, not just when the bank is open. In light of the foregoing findings, it is reasonable to conclude that innovation and the internet have had a significant impact on the bank.

As according to the survey, we understood that more than 75% of population of Faridabad are satisfied with the internet banking services but there are also some populations which need to be more educated in order to perform the internet banking transactions. We also get to know that the more than 50% population using the internet banking services lies between 25 to 35 ages in Faridabad. We also can't ignore that the banking sector is lacking behind in some of the areas as the people are not educated, they cannot use or understand internet banking properly so they use non-internet banking services. To make people more aware and make them use the internet banking services the bankers should conduct a training campaign for the people who are willing to understand and use the internet banking services in Faridabad.

RECOMMENDATION

Based on the findings, the following recommendations have been made, which, if implemented, will make the cashless system's goal more effective.

- It is necessary to guarantee that ATMs function properly. Certain banks should be responsible for a set number of ATMs and should outsource instructors or trainers to each ATM to ensure correct operation.
- The government should encourage cashless transactions by eliminating fees for cashless transfers, opening bank accounts, and enabling transactions with debit and credit cards.
- If local businesses and traders are motivated to encourage the customers to use cashless means, they can play a significant part in establishing a cashless rural India. Small company owners must be provided incentives to trade in cashless modes in order to achieve this.
- In terms of the illiteracy problem, banks, academic institutions, and financial agencies should conduct special training and orientations to promote financial literacy, including knowledge of cashless transactions.
- The regulating system must be strictly implemented, and the agencies that use it must be staffed with people who can quickly spot weaknesses that lead to insecurity.

These all recommendations are to make the Consumers aware of the policy of banks and for the better use or transaction they are performing.

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