



IMPACT OF INTERNET BANKING ON CONSUMER SATISFACTION

- A STUDY IN DELHI

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ABSTRACT:

The paper finds out the weakness of ordinary banking and investigates the client awareness, use outline, satisfaction and preference for Internet banking. The internet Banking assumes a significant part in individuals' life, so it ought to be reflect as an assistance medium that gives information, help and supports the individuals. The serious issue today before the monetary foundations/banks, all the more especially the public area bank in Delhi which was earlier working in a shielded system after nationalization is there since a long time ago run endurance, tapping quality client and fashioning the route ahead by holding their esteemed client. The primary motivation behind this paper is to discover the impact of variables identifying with the assistance quality on consumer loyalty and to look at the connection between the impact of the internet banking administrations, consumer loyalty, and client quality in Delhi. Additionally, the finding of this paper can be utilized as rules to improve the quality of the online banking system.

KEYWORDS: customer satisfaction, online banking

INTRODUCTION

Internet banking is called online banking or electronic banking. It is an electronic payment structure which permits the customers of financial institution/banks and monetary organizations to perform numerous monetary exchanges by means of the Internet. In modern years, the interest from clients for banking services, administration quality has arisen and has taken into various measurements. To fulfill the demand of client or to meet the client necessities, the bank work force's have distinguished huge key segments and their prioritizations. Recently time numerous studies were done on understanding the customer needs and their fulfillment. The Internet banking customers and the banks that offer Internet banking and expand a practical model for boosting worth to the consumers, Banks have to deal with numerous customers throughout the day and transform into different types of services to its customer. No industry can exist without customers and customer fulfillment.

MEANING OF INTERNET BANKING

The idea of electronic banking has been explained in numerous traditions, Daniel said electronic banking as the provider of banks' data to customers through different ways and plat frame that can be utilized with diverse incurable devices like computers and cell phone with software. Noreen and Abid defined the Internet banking is a utilises of communication and data ability and electronic means to perform by a bank to exchanges and communication with clients. The idea of Internet banking is as yet growing. It assist an efficient payment and book-keeping system thereby attractive the speed of deliverance of banking facilities.

TYPES OF INTERNET BANKING

A lot of electronic banking like ATM, mobile banking, POS and internet banking are the most used for transactions. ATM is a mechanism where cash extraction can be made on instrument while not



going to bank. It additionally there is a facilities of card recharge and transfer of funds. It is available 24 hour with knowing to balance in account. Internet banking permit consumers of a monetary establishment to perform monetary dealings on a secure website controlled by the foundation, which could be a customer or bank, or credit association. It might contain of any exchanges related to online practice. Unfortunately, information on Internet banking are inadequate, and differences in definitions make correlation problem. Point of sale likewise incidentally referred to as place to purchase or checkout is the area where an exchange happens. Before this there is a facility of SMS services called as SMS banking. The phase of mobile is additionally fashionable in nation, where the majority of their residents perform their services on mobile.

FEATURES AND BENEFITS OF INTERNET BANKING

- Open to online records and registration is simple and additionally easy to operate.
- It is quite convenient as customer can easily take care of bills, can transfer funds between accounts, etc. Presently the Customer don't need to stand in a queue to take care of off bills and likewise Customer don't need to keep receipts of the multitude of bills as can now easily view exchanges.
- It is available constantly, i.e. 24x7. Customer can perform tasks from anywhere and whenever even in night when the bank is closed or on siestas.
- It is quick and efficient. Funds can transfer from one record to the other very quick and easily. Customer can likewise manage several records easily through internet banking.
- Through Internet banking, Customer can keep an eye on your exchanges and record balance constantly. This office likewise keeps account safe.
- It likewise functioning as a medium for the banks to authenticate their items and services. The services include advances, investment choices, banking services and more.

INTERNET BANKING IN INDIA:

In the old days, the banking system is operating through branches of banks. In the 1990s non branches of the banking system has been started. The HDFC Bank, ICICI bank followed internet banking in 1999. There are many works that have been done by the Indian government to facilitate the enhancement of the internet banking system in India. The Indian government started the IT act in 2000, with effect from October 17, 2000, that made a rule for internet banking for how to operate all the things through the banking system. The Reserve bank of India has reviewed the legal formalities other requirements for the internet banking system to expand and develop the internet banking system in India and will function smoothly. To meet the competition in the market, Indian commercial banks do more functions the e-banking is also has a main about them. But for public banks and new private banks and foreign has a special hard competition to implementation of internet banking. The Indian banking system offers the public some internet banking facilities which are below:

- Automated Teller Machines (ATMs)
- Internet Banking
- Mobile Banking
- Phone Banking
- Tele banking



- Electronic Clearing Services
- Electronic Clearing Cards
- Smart Cards
- Door Step Banking
- Electronic Fund Transfer

SCOPE OF INTERNET BANKING

As the India in progressing in the advanced drive, the number of internet banking users is estimated to double to reach one hundred fifty million imprints by 2020 as given a report sketch by The Boston Consulting Group and Facebook. A report, "ENCASHING ON DIGITAL: Financial Services in 2020", have showed the increasing pressure of computerized in monetary services by the two firms and the change required to make the majority of this revolution. "India couldn't be extra ready for an advanced revolution in monetary services with government interventions on one hand and developing consumer awareness. Wide scale implementation of computerized has the chance of sinking cost of securing and cost of servicing to 1/tenth. It very well may be fundamentally get better customer level benefit and can add to retail benefit pool by \$3 – 3.5 billion by 2020," said Amit Kumar, (MD) Managing Director and Partner, The Boston Consulting Group, India. "As more and more Indians operate the internet on their mobile phones, there is a once in a lifetime opportunity for monetary companies to create a powerful advanced commonality that is instinctive and secure for their customers. The report affirm that consumers are leaning in towards computerized appropriation of monetary services faster than previous estimates, and the time is presently for the monetary services industry to invest so it can help further people contribute to an advanced future." said Umang Bedi, (MD) Managing Director, Facebook India and South Asia.

REVIEW OF LITERATURE

Auh et al. (2007) suggested that Focusing on the correlation between banks and customers over the internet, there is as yet an absence of researches that investigate the development of the two concepts. In this manner, albeit the increasing competition in electronic business is encouraging an exponential progress in the number of studies that examine devotion development.

Boateng and Molla (2006) stated that operational requirements related to customer area, there is need to keep up customer fulfillment and the potential of the Bank's fundamental software are influential variables in spurring the decision to electronic banking services which affecting the level of fulfillment or satisfaction of the customers.

Dr. M. Abdul Hakkeem and Y. M. Sha (2015) was seen that one of the age bunch have utilized these administrations, the fulfillment of the client significantly biased the comfort and availability. In current situation, the majority of the financial client need better and change to internet banking offices. The investor may show signs of improvement their administrations, reliability to clients and concentrated on the variables contributing consumer loyalty.

Fox (2006) stated that numerous writers likewise defined to enlarge in Internet usage have been increased in need to make online monetary exchanges, for example, transferring money between records, accounts, payments that comprise of worldwide records, and credit and debit card exchanges.

Hawari and Ward (2006) tracked down that in Australia customer fulfillment assumes a



significant part in the relationship between service quality and monetary performance of the banks. **Hummayoun et. Al (2009)** carried out comparative inquiries to identify the influence of service quality on customer fulfillment in banking sector. Their investigation found that service quality is the solid predictor of customer fulfillment. They have stated that if a specific bank efficiently accomplishes the service quality that bank can fulfill the customers.

Neena Brar and Jaspreet Singh (2012) stated that the view of the shoppers can be changed and can be made idealistic by mindfulness program, welcoming use, appropriate security, and the good response to the organizations advertised.

Ongkasuwan and Tantichattanon (2002) defined Internet banking service is that who authorize the customers to engage monetary exchanges on their financial balances from their Laptop, mobile phone, computers with Internet connection. Likewise indicate that Internet banking helps banks in saving, enable mass customization, enhance customers, for electronic Business services, expand marketing and correspondence channel, explore for new advancement services, and search and development of non-core business.

Prema C (2013) uncovered the technique of web banking administrations and focused on that promoting specialists should feature these advantages and its appropriation gives and cognizance can likewise be smarter to draw in customers' regard for web banking administrations. product/service. On the other side, if performance extend the expectation of the customers, the customer will fulfill and satisfied and increase the customers engagement with the bank.

R. Elavarasi (2014) has perceived which business bank gives better administration respects to internet banking administrations to clients and furthermore perceived fulfillment dimension of client see about web banking site of banks. The examination has discovered that the age, instructive capability, calling, profit dimension of client are significant factor that gone to a choice to utilization of internet banking administrations of different banks. The discoveries were to upgrade mindfulness among individuals.

Rahmath Safeenaet.al, (2012) research on "Mobile Banking" perceived that the advancement of internet banking began by the use of ATMs and e-banking, direct bill payment, internet reserve exchange and the creative web based monetary change from the conventional banking to internet banking has been a bounce change.

Sabita Paul (2013) uncovered in Internet banking in Odisha, has depicted the present and past mechanical upheaval changing the entire world which has sway on the financial part in various business banks in Odisha.

Saha and Zhao (2005) said that reliability involves steadiness and homogeneousness in performance. Specifically, charging exactness, record maintenance and providing the service inside suitable time limit explain the reliability of online services. Customer fulfillment is defined as a set of finish of perception, mental reactions, and evaluation to the utilization experience.

Sureshchandar et al., (2002) The relationship between customer fulfillment and service quality is becoming important with the enlarged level of awareness among customer of bank.

Tavishi and Santosh Kumar (2013) "An Empirical Study on Technology Adoption by Indian Banks" conscious the variables impacting the clients for the usage of web banking and versatile banking in India and henceforth explore the control of assumed convenience, assumed



facilitates of utilization and assumed hazard on utilization of web banking and telephone banking.

Tripe (2007) suggested that customer fulfillment could enlarge bank efficiency by reducing deviation in efficiency scores.

Vandana Tandon Khanna and Neha Gupta (2015) found the elements, for example, Technology worthiness, security, accessibility, ease of use and accommodation profoundly relies upon the statistic state of the general population measure. A large portion of showcasing choice as far as appealing the adequacy of conveyance channels can be taken by thinking about these components.

Wungwanitchakorn (2002) studied that banks that most of developing countries is just in initial stage, in that countries, the banks just start giving facilities and services and only use the internet browser and give a date about goods and services.

Yang and Fang (2004) Contemplated that insurance measurement involves the assurance that the record showing shopping exercises and security of charge card/account information isn't shared. The creator proposed that various online clients really picked unadulterated web based providers with central client benefits yet requested various administrations accessible through predictable channels.

OBJECTIVES OF THE STUDY

1. To study the usages of Internet banking services and benefits accruing from that.
2. To study the usages of Internet banking services amongst different age groups.
3. To study the usages of Internet banking services amongst profession of individuals.
4. To study the usages of Internet banking services amongst various income groups.
5. To study the usages of Internet banking services and satisfaction level of Customers.

Population and Sample Size: The sample has been taken who are using the Internet banking services with different age group, thoughts, income, education background, marital status, etc and who lives in Delhi.

Tools for Analysis: This study is through primary data as well as secondary data that collected information/data and have been analyzed in Graphical Analysis. As per data, statistical tools like the Average test and suitable test have been used.

Data Analysis and Interpretation

The study provides results and findings of the data collected according to the research objectives and analyzed as per the research design. The results and findings are presented in tables by using average method. The study evaluates how internet banking is influenced the consumer consumers satisfaction with reference to services given by banks.

1. Relationship between usages of Internet banking Services and benefits accruing from that

Table 1

Internet banking Services	Benefits (in percent)				
	Time Saving	Inexpensive	Easy Processing	Easy Fund Transfer	All
ATM	79	35	51	23	22
Debit Card	35	23	22	16	15
Credit	21	16	18	13	11



Card					
Phone Banking	16	14	13	11	11
Mobile Banking	21	14	18	14	11
Internet Banking	23	13	19	13	22

Interpretation: the relationship amongst usages of Internet banking Services accruing from that is explained in table 1 above. The table shows of ATM saving time are 79% by their respondents' opinion. 35% of respondents get the inexpensive services benefits. 51% take benefit of ATM as easy processing. The ATM provides the services of easy fund transfer to 23% of respondents and 22% of customers are availing all types of benefits. The customers in debit card 35% time savings, inexpensive services 23%, easy processing 22%, and 16% EFT and 15% are getting all the benefits. In Credit cards, 21%, 16%, 18%, 13%, 11% are taking benefits of time-saving, inexpensive, easy processing, EFT, and all respectively. In phone banking services 16% Time saving, 14% inexpensive, 13% easy processing, 11% EFT, and 11% are getting all of these services respectively. In the case of mobile banking 21% Time saving, 14% inexpensive, 18% easy processing, 14% EFT and 11% are getting all of these services respectively. On the other side of Internet banking 23% Time saving, 13% inexpensive, 19% easy processing, 13% EFT and 22% are getting all of these services respectively.

2. Relationship between usages of Internet banking services amongst different age groups

Table 2

Internet banking Services	Age (in percent)			
	20-30 Years	30-40 Years	40-50 Years	Above 50 Years
ATM	62	32	20	18
Debit Card	23	19	13	13
Credit Card	17	15	11	11
Phone Banking	13	13	11	0
Mobile Banking	18	15	12	0
Internet Banking	22	12	0	0

Interpretation: The relationship amongst usages of Internet banking services and different age groups is shown in table 2 above. In Internet banking, the usage of ATM card is maximum in 20 to 30 years that is 62%, a some customers using ATM, 32% here in age group of 30 to 40 years. Age class of 40 to 50 years respondents are using 20% and the fewer is 18% comes under the age of above 50 years. The debit card has been used by respondents of the age of 20 to 30 years is 23%. The user of debit card is highest between 20–30 years. There is 19% 30 to 40 years of age and above 50 years there are only 13% users of banking services. The highest percentage of 17% is between the age of 20 to 30 years of respondents. In the age of 30 to 40, 40 to 50 and more than 50 years is 15%, 11%, and 11% respectively. In phone banking services



in the age between 20 to 30 years, 30 to 40 years, and 40 to 50 years is 13%, 13%, 11% of people using this service respectively. In mobile banking 18%, 15% 12% in the age of 20 to 30, 30 to 40, and 40 to 50 years respectively. Internet banking group the age of 20 to 30 years, 30 to 40 years are 22% and 12% respectively. Respondents, those are above 50 years are not using the usage of the phone banking, mobile banking and internet banking.

3. Relationship between usages of Internet banking services amongst profession of individuals

Table 3

Internet banking Services	Profession (in percent)				
	Government Employee	Self Employee	Businessman	Students	Others
ATM	31	22	25	37	26
Debit Card	19	12	14	18	15
Credit Card	14	11	12	14	13
Phone Banking	13	0	0	12	11
Mobile Banking	15	12	12	13	13
Internet Banking	12	15	12	13	0

Interpretation: The relationship amongst usages of Internet banking services and the profession of respondents is shown in table 3 above. In the table above are government employees 31%, self employee 22%, businessmen 25%, student 37%, and other 26% of respondents using ATM services. The government employee 19%, self employee 12%, businessman 14%, student 18% and other 15% are used debit card respectively. In credit card, there are GE 14%, SE 11%, BM 12%; students 14%, and others 13%. In phone banking government employee 13%, students 12%, and only 11% is others for taking services of banking. In mobile banking 15% is the maximum in government employees, in Self Employee 12%, businessman 12%, students 13% and other 13% using the banking services. In internet banking 12% government employee, 15% self employee, 12% businessman and 13% students using banking services respectively.

4. Relationship between usages of Internet banking services amongst various income groups

Table 4

Internet banking Services	Income (in percent)			
	Less than 20,000	20,000-30,000	30,000-40,000	More than 40,000
ATM	57	27	21	14
Debit Card	28	15	11	13
Credit Card	17	12	12	11
Phone Banking	13	12	11	0
Mobile Banking	17	14	11	12
Internet Banking	20	14	11	11



Interpretation: The relationship between usages of Internet banking services and different income groups is shown in table 4 above. The percentage of ATM services are 57%, 27%, 21%, 14% under the less than 20,000, 20,000 to 30,000, 30,000 to 40,000 and more than 40,000 respectively. In a debit card, Less than 20,000 is 28%, 20,000 to 30,000 15%, 30,000 to 40,000 11%, and 13% under the income of more than 40,000. In credit card under the less than 20,000 income group 17%, in a group of 20,000 to 30,000 12%, in 30,000 to 40,000 12%, and more than 40,000 incomes group 11% respectively. In banking 13%, 12%, 11% in less than 20,000, 20,000 to 30,000, 30,000 to 40,000 of income group respectively. In mobile banking, less than 20,000 is 17%, 20,000 to 30,000 is 14%, 30,000 to 40,000 is 11%, and more than 40,000 there are 12% respectively. And at the last group of income, 20 % is maximum and 11 % is less in less than 20,000 & 30,000 to 40,000, more than 40,000 of income group respectively.

6. Relationship between the usages of Internet banking services and satisfaction level of Customers

Table 5

Internet banking Services	Satisfaction Level (in percent)				
	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
ATM	21	69	28	11	11
Debit Card	12	31	16	0	0
Credit Card	12	21	11	0	0
Phone Banking	11	13	12	0	0
Mobile Banking	12	19	13	0	0
Internet Banking	14	20	11	0	0

Interpretation: The relationship between the usages of Internet banking services and the satisfaction level of customers is presented in table 5 above. In ATM services 21% highly satisfied, 69% satisfied, 28% neutral, 11% dissatisfied and 11% highly dissatisfied. In debit cards 12% highly satisfied, 31% satisfied, and 16% neutral. Credit card defines highly satisfied 12%, satisfied 21%, and neutral 11%. In phone banking 13% are highly satisfied, 19% are satisfied, 13% neutral. In mobile banking services 12% highly satisfied, 19% satisfied, 13% neutral. And in internet banking 14% highly satisfied, 20% satisfied, and 11% neutral. In Debit cards, Credit Card, Phone banking, Mobile banking, and Internet Banking no one is dissatisfied and highly dissatisfied with the banking services.

LIMITATION OF THE STUDY:

The questionnaire has been filled with 100 respondents. The perfect research is impossible. Thus, the research is not cover the entire banking industry. When the questionnaire has been filling, the respondents may have been influenced. This influence reflects in the discoveries. So precise research is impossible. The research is limited uniquely in the Delhi area along these lines; the discoveries may not be significant to the whole banking industry. Other restrictions have like problems of



security, significant expense, absence of awareness, absence of computerization, and wrong suspicion by the people are likewise involved.

FINDINGS, RECOMMENDATIONS & CONCLUSION

It is found from this investigation that more youthful age bunch were utilizing electronic financial administrations are more when contrasted with more seasoned age on account of modernization in data innovation and their selection level is high in internet banking. Above more seasoned gathering class was utilizing internet banking administrations are short of what others. Hazard is one of the perspective client were consider while opening a web financial balance. They didn't feel safe in the webbanking. The client favored ATM, Online banking, Mobile banking, SMS banking for their money related exchanges. From client perspective that private bank give better administrations when contrasted with open banks, But for verified exchange open banks will be favored by the greater part of the client.

Based on the writing, the accompanying proposals can be made, To build mindfulness among individuals, Bank ought to publicize and lead extraordinary mindfulness projects to make Internet banking administrations progressively well known among clients. Bank should construct ATM focuses adjacent client place like film theaters, markets and open spots and so forth clients waver to utilize in light of the fact that they don't have the foggiest idea how to utilize it in right manner. Bank should attempt to give legitimate preparing or other answer for take care of this issue and it should endeavor to improve their organization level to defy the firm challenge given by other business banks.

Internet banking innovation is profoundly helpful to clients just as banks and different associations like government associations and so forth. To upgrade profitability, productivity, administration quality and development of banks internationally internet banking is major significant of every single business bank to embrace in their nations just as their clients. Bank should endeavor to keep up appropriate arrangement of upkeep for web banking.

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