**A STUDY ON CUSTOMER AWARENESS AND SATISFACTION TOWARDS ONLINE BANKING WITH SPECIAL REFERENCE TO BHAVANI TALUK, ERODE DISTRICT, TAMILNADU.**

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**ABSTRACT:**

 Banks in India play a crucial role in the financial sector of the country. They raise deposits from the public, offer loans and advances to industry and commercial establishments, responsible for the flow of credit, offer priority sector loans, take care of the working capital requirements of the medium and small enterprises, provide housing and educational loans and offer a host of other financial services. With the liberalization of the economy and entry of new large scale private sector banks, and the foreign banks establishing branches in India, the entire scenario has perceptibly changed. Suddenly, they have been forced to function in the buyers’ market. The customers started demanding good quality of service from the banks. The introduction of information technology worldwide has further forced these banks to adapt themselves to the needs of the customers. Bank oriented service got changed into customer oriented service. Objectives of the study are set, hypotheses have been framed and tested. Meaningful findings and conclusions are arrived at. Suggestions to further improve Online Banking have also been offered.

**KEY WORDS: Customer awareness, Online Banking, Customer Satisfaction.**

**INTRODUCTION:**

Online Banking is the term used for new age banking system. Online Banking is also called as online banking and it is an outgrowth of PC banking. Online Banking uses the internet as the delivery channel by which to conduct banking activity, for example, transferring funds, paying bills, viewing checking and savings account balances, paying mortgages and purchasing financial instruments and certificates of deposits (Haque et al, 2009). Online Banking is a result of explored possibility to use internet application in one of the various domains of commerce. It is difficult to infer whether the internet tool has been applied for convenience of bankers or for the customers’ convenience. But ultimately it contributes in increasing the efficiency of the banking operation as well providing more convenience to customers. Without even interacting with the bankers, customers transact from one corner of the country to another corner.

**REVIEW OF LITERATURE**

(Emad Hashiem Abualsauod, 2020) This research aims to create a conceptual context for OB (online banking) by understanding the interactions of stakeholders in the banking industry, as well as to identify OB quality gaps based on relevant literature. There were five online banking quality gaps found, as well as three phases of customer engagement with online banking systems. As a result, the ultimate goal of this study is to assess the impact of such quality differences on customers' willingness to use OB in Saudi Arabia, as well as customer satisfaction with OB. Gaps in technology and human interaction were discovered to have a huge impact on customers' ability to use OB.

(Dr. S. Sangeetha, 2020) studies the customer’s satisfaction towards E-Banking Services and its impacts on banks. Electronic Banking technology is useful to customers as well as banks and other organizations. and there is no significant difference between personal factors like age, profession, annual income and category of the bank chosen and the satisfaction level of the customers.

**OBJECTIVES OF THE STUDY**:

1. To find out the democratic profile of respondents.
2. To analyze the level of awareness of the respondents towards Online Banking.
3. To assess the level of satisfaction of the respondents towards Online Banking.
4. To offer suitable suggestions for creating awareness and satisfaction among customers.

**RESEARCH METHODOLOGY**

**SAMPLING DESIGN**

The study aims at analyzing the customers’ level of awareness towards Online Banking, a total of 110 samples were taken for the study. Convenient sampling method has been used to collect the data.

**STATISTICAL TOOLS USED:**

1. Percentage analysis.
2. ANOVA.
3. KMO and Bartlett’s Test.
4. Multiple Regression Analysis.

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**HYPOTHESIS:**

1. “There is no significant association between age groups of respondents and level of awareness”
2. “There is no significant relationship between monthly of respondents and their level of satisfaction”,

**LIMITATIONS OF YHE STUDY:**

1. The sample size limited to 110 respondents only.
2. The study is confined to Bhavani Taluk only.

**DATA ANALYSIS AND INTERPRETATION**:

**TABLE 1**

**GENDER OF THE RESPONDENTS**

|  |  |  |
| --- | --- | --- |
| **Gender** | **No of respondents** | **Percentage** |
| Male | 64 | 58.2% |
| Female | 46 | 41.8% |
| Total | 110 | 100 |

##  Source: Primary Data

Majority (58.2%) of the respondents are male.

## TABLE 2

## MARITAL STATUS OF RESPONDENT

|  |  |  |
| --- | --- | --- |
| **Marital status** | **No .of respondents** |  **Percentage** |
| Married | 47 | 43.1% |
| Unmarried | 62 | 56.9% |
| Total | 110 |  100 |

 **Source: primary Data**

Majority (56.9%) of the respondents are belonging to unmarried category.

**TABLE 3**

**AGE OF THE RESPONDENTS**

|  |  |  |
| --- | --- | --- |
| **Age** | **No. of respondents** | **Percentage** |
| Below 20 | 21 | 19.1% |
| 21-30 | 44 | 40% |
| 30-40 | 32 | 29.1% |
| 40-50 | 10 | 9.1% |
| Above 50 | 3 | 2.7% |
| Total | 110 | 100% |

 **Source: primary Data**

Majority (40%)of the respondents are coming under the age group of 21 to 30 years.

## TABLE 4

## PRESENT STATUS OF RESPONDENTS

|  |  |  |
| --- | --- | --- |
| **Status** | **No .of respondents** | **Percentage** |
| Home maker | 27 |  24.5% |
| Business | 61 |  55.5% |
| Profession | 19 |  17.3% |
| Employed | 3 |  2.7% |
| Total | 110 |  100 |

 **Source: primary Data**

Majority (55.5%)of the respondents are doing Business.

**TABLE 5**

**MONTHLY INCOME OF THE RESPONDENTS**

|  |  |  |
| --- | --- | --- |
| **Monthly Income** | **No. of respondents** |  **Percentage** |
| Below 20000 | 25 | 22.7% |
| 20000 - 30000 | 38 | 34.5% |
| 30000 - 40000 | 35 | 31.8% |
| Above 40000 | 12 | 10.9% |
| Total | 110 |  100 |

 **Source: primary Data**

Majority (34.5%)of the respondents have monthly income between 20000 to 30000.

**TABLE 6**

**SERVICES PREFERRED BY THE RESPONDENTS**

|  |  |  |
| --- | --- | --- |
| **Type of products** | **No. of Respondents** |  **Percentage**  |
| Access to Account Information | 20 | 18% |
| Financial Transactions | 11 | 10% |
| Investments | 26 | 23.4% |
| Bill payment  | 18 |  16.2% |
|  Fund transfer  | 36 |  32.7% |
|  Total | 110 |  100 |

 **Source: primary Data**

Majority (32.7%)of the respondents prefer fund transfer.

**Hypothesis:**

There is no significant association between age group and level awareness towards Online Banking services.

**TABLE 7**

**AGE AND LEVEL OF AWARENESS**

**(Two Way Table)**

|  |  |  |
| --- | --- | --- |
| **AGE** | **LEVEL OF AWARENESS**  | **TOTAL** |
| **HIGH** | **MEDIUM** | **LOW** |
| Below 20 | 11 | 6 | 4 | 21 |
| 21-30 | 23 | 13 | 8 | 44 |
| 30-40 | 25 | 5 | 2 | 32 |
| 40-50 | 6 | 2 | 2 | 10 |
| Above 50 | 1 | 1 | 1 | 3 |
| **Total** | 66 | 27 | 17 | **110** |

**Source: primary Data**

**TABLE 8**

**AGE AND LEVEL OF AWARENESS**

**(ANOVA TEST)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SOURCES** | **SUM OF SQUARES** | **DF** | **MEAN SQUARE** | **F** | **F. CRT** |
| Between Groups | 268.133 | 2 | 134.067 | 2.867 | 3.89. |
| Within Groups | 561.200 | 12 | 46.767 |  |  |
| Total | 829.333 | 14 |  |  |  |

**Source: Calculated result from primary Data**

The table 11 shows that the calculated value of F is < F Critical value (at 5% level of significance). The hypothesis is accepted. Hence it is concluded that there is no significant association between age and level of awareness.

**Hypothesis:**

There is no significant association between monthly income and level of satisfaction towards Online Banking services.

**TABLE 9**

**MONTHLY INCOME AND LEVEL OF SATISFACTION**

 **(Two Way Table)**

|  |  |  |
| --- | --- | --- |
| **MONTHLY INCOME** | **LEVEL OF SATISFACTION** | **TOTAL** |
| **HIGHLY SATISFIED** | **SATISFIED** | **DIS****SATISFIED** |
| Below 20000 | 15 | 5 | 5 | 25 |
| 20000 - 30000 | 20 |  10 | 8 | 38 |
| 30000 - 40000 | 21 | 9 | 5 | 35 |
| Above 40000 | 7 | 3 | 2 | 12 |
| **Total** |  63 | 27 | 20 | 110 |

**Source: primary Data**

**TABLE 10**

**MONTHLY INCOME AND LEVEL OF SATISFACTION**

**(ANOVA TEST)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SOURCES** | **SUM OF SQUARES** | **DF** | **MEAN SQUARE** | **F** | **F .CRT** |
| Between Groups | 266.167 | 2 | 133.083 | 6.903 |  |
| Within Groups | 173.500 | 9 | 19.278 |  | 4.86 |
| Total | 439.667 | 11 |  |  |  |

The table 13 shows that the calculated value of F is > F Critical value (at 5% level of significance). The hypothesis is rejected. Hence it is concluded that there is significant association between monthly income and level of satisfaction towards Online Banking services.

Table 11 : KMO and Bartlett’s Test

|  |  |
| --- | --- |
| KMO Measure of Sampling Adequacy | 0.727 |
| Bartlett’s Test of Sphericity | Approx. Chi-Square | 1561.690 |
| Degree of freedom | 231.00 |
| Significance | 0.000 |

Table 12: Results of the Multiple Regression Analysis – Coefficients

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Variable | Unstandardized Coefficients | Standardized Coefficients β | T | Sig. |
|  | Β | Std. Error |  |  |  |
| Constant | 3.310 | 0.069 | - | 45.013 | 0.000 |
| Banking Needs | 0.683 | 0.069 | 0.512 | 8.642 | 0.000 |
| Core Services | 0.629 | 0.069 | 0.509 | 8.619 | 0.000 |
| Convenience | 0.217 | 0.069 | 0.179 | 3.059 | 0.003 |
| Risk Privacy | 0.204 | 0.069 | 0.125 | 2.827 | 0.000 |
| Cost Saved | 0.211 | 0.069 | 0.194 | 3.539 | 0.000 |
| Interest Policy | 0.059 | 0.069 | 0.042 | 0.739 | 0.458 |
| Bank Charge | 0.123 | 0.069 | 0.091 | 1.603 | 0.108 |
| Feature Availability | 0.149 | 0.069 | 0.119 | 2.068 | 0.039 |

R : 0.613, R2: 0.374, Adjusted R2 : 0.355, Std. Error of the Estimate : 0.99405 Dependent Variable : Overall Consumer Satisfaction

**FINDINGS:**

Majority (58.2%) of the respondents are male.

Majority (56.9%) of the respondents are belonging to unmarried category.

Majority (40%)of the respondents are coming under the age group of 21 to 30 years.

Majority (55.5%)of the respondents are doing Business.

Majority (34.5%)of the respondents have monthly income between 20000 to 30000.

Majority (32.7%)of the respondents prefer fund transfer.

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**SUGGESTIONS:**

 1. Awareness about Online Banking services must be created among the customers by conducting seminars and various promotional strategies by the banks.

 2.Use social media for targeting wider audiences and make them aware of the Online Banking service provided

 3. Promotion of Online Banking services should be done through newspapers, advertisements, magazines, journals etc.

 4. software should be updated in such a way that the complaints like network failure can be minimized.

 5. the facility of the stop payment, rectification of wrong payment etc. may also be extended to Online Banking.

**CONCLUTION:**

The research report is based on primary data. According to the study, the researcher concludes that the most of the bank customers are aware about Online Banking services in Bhavani taluk, Erode District of Tamilnadu. 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.

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