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## FACTORS AFFECTING ON CUSTOMER SATISFACTION OF ONLINE BANKING SERVICES WITH SPECIAL REFERENCE TO BANK OF MAHARASHTRA

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### **ABSTRACT:**

Nowadays in Indian banking market, Standard Chartered Royal Bank of Scotland, Deutsche Bank and HSBC etc. foreign players along with private players HDFC Bank, ICICI Bank, Yes Bank, Kotak Mahindra Bank, etc are engaged to offer Indian customers more and more services. Bank of India one of the leading nationalized Banks in India is playing vital role in providing financial services and the development of our nation. With the development and adoption of technology, particularly the internet, one needs not to visit the bank personally. By using Internet banking one can escape from the bank queue and make transactions conveniently from home or office. The cost of Internet banking is very low. Another advantage is that there is no waste of paper and time. Present research paper researcher find out which factors are affecting on customer satisfactions and suggest some suggestions to improving offInternet banking services factors specially provided by Bank of Maharashtra in Karad City.

***Key Words: Factors of Internet Banking Services, Customer Satisfaction.***

### **INTRODUCTION:**

Nowadays in Indian Banking Sectors, banks like Standard Chartered Royal Bank of Scotland, Deutsche Bank and HSBC etc. foreign players along with private players HDFC Bank, ICICI Bank, Yes Bank, Kotak Mahindra Bank, etc are engaged to offer Indian customers more and more services. Bank of Maharashtra one of the leading nationalized Banks in India is playing vital role in providing financial services and the development of our nation. With the

development and adoption of technology, particularly the internet, one needs not to visit the bank personally. By using Internet banking one can escape from the bank queue and make transactions conveniently from home or office. The cost of Internet banking is very low. Another advantage is that there is no waste of paper and time.

#### **STATEMENT OF THE PROBLEM:**

Knowledge about Internet banking services among customer has been increased gradually in the study area. As a result, the numbers of business holders are using Internet banking increasing rapidly. This underlines the need of a study to understand how the bank's business holder's customers were reacting with the Internet banking services. At the same time, it will be future to study how Internet banking services were affecting on banking industry. The researcher is more interested to study the Customers Satisfaction especially business holders Internet users about Internet banking services.

#### **OBJECTIVES OF THE STUDY:**

1. To study the Internet banking services provided by Bank of Maharashtra and its impact on Customer Satisfaction.
2. To understand the factors of internet banking services those gives more satisfaction to customers.

#### **HYPOTHESES OF THE STUDY:**

Cost of internet banking services and user friendliness of Internet banking services give more satisfaction to the Bank of Maharashtra's internet banking customers.

#### **SCOPE OF THE STUDY:**

Geographical Scope: The study covered the Bank of Maharashtra Main Branch Karad.

Topical scope: Factors Affecting on Customer Satisfaction of Internet Banking Services with Special Reference to Bank of Maharashtra.

Analytical scope: Identifying, comparing, and accessing internet banking services

### **SIGNIFICANCE OF THE STUDY:**

Internet banking service is paperless work, fast transactions, and speedy delivery of the services, also helped to management in improving customer relationship management. The study found more beneficial to banking industries and country's industrialists make their financial transactions proper and autonomy of bank transactions. This study also important to government to making the banking activity is smartly and transparently. Therefore it was more important to understand customer perception towards Internet banking services.

### **LIMITATIONS OF THE STUDY:**

**Researcher confined to the following limitations.**

1. As the study is related to Bank of Maharashtra, Karad - Main Branch, other branches of the bank are not considered for the study.
2. As the data pertinent to study is collected from sample respondents the reliability of the data could not be checked. There is no alternative to check the reliability of the data collected from the respondents but to rely upon it. Researcher not considers other occupation like, Teacher, House wife, Professionals for the research purpose.
3. Period of study – The data for the study pertains to the accounting years 2021-22.

### **RESEARCH METHODOLOGY:**

**PRIMARY DATA:** The primary data required for the study was collected from the sample respondent's. A structured questionnaire was used for study purpose.

**SECONDARY DATA:** Secondary data pertaining to the study was collected through various books, journals, magazines, bank manual, reports of ministry of finance, India. Annual reports of Bank of India and guideline of Reserve Bank of India. ([www.rbi.org.in](http://www.rbi.org.in)), Bank of Maharashtra ([www.bankofmaharashtra.in](http://www.bankofmaharashtra.in)), and Banking Association of India.

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**SAMPLE DESIGN:** The researcher adopted convenient sampling method for the selection of sample respondents. Those relating to business and those are using Internet banking services of Bank of India this the respondents.

**SAMPLE SIZE:** Researcher selected 100 respondents for his study. The criteria for selection of the sample were the customers who were using Internet banking services such as Internet Banking, Mobile Banking, Bill Payment, Rail Ticket Booking, Internet fund Transfer, Prepaid Mobile Internet Recharge, Internet shopping and Payment of fees etc. frequently.

**DATA COLLECTION:** The researcher visited first the sample branch to have list of Internet banking service users who are the respondents of the study. The respondents who were willing to co-operate and give information without any reservation were communicated conveniently to collect authentic and reliable data. Out of these 107 respondents returned the questionnaires. Out of these 07 questionnaires were deleted on account of incomplete response, to keep 100 questionnaires as the number of final respondents.

#### **DATA ANALYSIS AND INTERPRETATIONS:**

**Table No.1: Age-wise Classification of Respondents**

Age	Number of Respondents	Percentage of respondents
25- 35	72	72%
36-45	17	17%
46-55	6	6%
Above	5	5%
<b>Total</b>	<b>100</b>	<b>100</b>

(Source: Compiled by Researcher)

Table No.1 revealed that the younger businessmen are in majority who are using Internet banking services. It is so, because of technological advancement and its adoption is more in cases youngsters than the old ones. It is observed that customers in the age of 46 to 55 are less using Internet banking services, because they believe this Internet banking service is not trustworthy.

**Table No. 2: Gender Based Classification of Respondents**

Gender	Number of Respondents	Percentage of Respondents
Male	77	77%
Female	23	23%
Total	<b>100</b>	<b>100</b>

(Source: Compiled by Researchers)

Above table No.2 shows that the majority of the respondents (77%) business holders are male. Female business holders are not interested or not are using Internet services.

**Table No. 3: Category Based Classification of Respondents**

Occupation	Number of Respondents	Percentage of Respondents
Wholesalers	38	38%
Traders/ Distributers	19	19%
Consultants	20	20%
Retailers	14	14%
Others	9	9%
Total	<b>100</b>	<b>100%</b>

(Source: Compiled by Researchers)

Above table no 3 indicate that among all the whole sellers are large numbers (38%) using Internet banking services. They use Internet banking for fund transfer and making RTGS/NEFT. Traders/ Distributers are used (19%) and consultants (20%) Internet banking services respectively.

**Table No.4: Satisfaction Level relating to factors in Internet Banking Services**

Statement	1	2	3	4	5	Total Score	Mean Value	Percentile Value
Satisfied about Website Design	4	6	63	164	155	392	3.92	78.40
Satisfied about information InternetServices	2	14	60	152	165	393	3.93	78.60
Satisfied about Speed of Transactions	4	8	63	132	190	397	3.97	79.40
Satisfied about Accessibility	1	10	63	124	110	308	3.08	61.60
Satisfied about Flexibility	1	16	54	96	245	412	4.12	82.40
Satisfied about Transference	1	6	60	124	230	421	4.21	84.20
Satisfied about User friendly	0	8	48	124	245	425	4.25	85.00
Satisfied about Cost of Effectiveness (services)	2	8	69	116	210	405	4.05	81.00
Satisfied about login and log out process	0	12	66	180	135	393	3.93	78.60
Satisfied about accuracy of transactions	0	4	48	132	245	429	4.29	85.80

(Source: Compiled by Researcher)

The data in table 4 shows the weighted score, mean and percentile value of satisfaction level depicted by the respondents relating to the factors that determine the quality of Internet banking services. . Score 1 represent Strongly Dissatisfied and score 5 represent strongly Satisfied. These weightages are multiplied by the no. of (Customers) respondents. For example the score of first service “Satisfied about website design” is ascertained as under.

Satisfaction Level (Weightages)	1	2	3	4	5
No of Respondents	4		3	2141	31

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 Weighted Score= 4 6      63      164      155

(Satisfaction Level x No. of Respondents)

$$\text{Mean Score} = \frac{\text{Total Weighted Score}}{\text{Total Sample}}$$

$$\text{Mean Score} = \frac{4+6+63+164+155}{100}$$

$$= \frac{392}{100} = 3.92$$

Total score 392 divided by No. of respondents 100 = 3.92. The highest possible mean score 5=100%. Then mean score 3.92 = 78.40%.

The data reveals that about half of the aspects that determine the quality of Internet banking services are more prominent in respect of which the respondents have reported more than 80 percent satisfaction level. Internet banking process (86 %), accuracy (85.80%), user friendliness (85%), net banking services (84.40%), transferency (84.20%), easy to use (82.60%), and flexibility (82.40%), cost effectiveness (of services). Accessibility to the services shows least (61.60%) level of satisfaction.

**TESTING OF HYPOTHESIS:**

Cost of internet banking services and user friendliness of Internet banking services give more satisfaction to the Bank of Maharashtra's internet banking customers.

$\mu_1$  = Mean value of Cost Effectiveness and User friendliness of Internet banking services taken together.

$\mu_2$  = Mean value of other factors of Internet banking services taken together.

H0:  $\mu_1 = \mu_2$

H1:  $\mu_1 > \mu_2$

**Table No. 5: Ranks Factors Gives Satisfaction**

Factors		N	Mean Rank	Sum of Ranks
1. Factors of Cost Effectiveness and User friendliness Mean Value of Internet services	1	100	107.72	<b>10772.00</b>
2. Other factors of Internet banking services	2	100	93.28	<b>9328.00</b>
Total		200		

(Source: Compiled by Researcher)

**Table No. 6: Test Statistics**

Mann-Whitney Asymp. Sig. (1-tailed)	Factors of Cost Effectiveness and User friendliness Mean Value of Internet services
	4278.000
	.0385
a. Grouping Variable: Other factors of Internet banking services.	

(Source: Compiled by Researcher)

Hence: By using Mann-Whitney test the significance value is less than 0.05. That's why the Null Hypothesis is rejected and alternative hypothesis is accepted.

**FINDINGS:**

1. Internet banking services are used by majority of businessmen in age group of 25-35 years.

2. More wholesalers are using Internet banking services of MAHA Bank because bank provided lots of facilities regarding payment and deposits.
3. It is found that server down is the major problem in Internet banking services.
4. It is found that most of the business holders were using Internet banking services for time saving purpose and also to access from any time and also many times.
5. Factors of Cost Effectiveness and User friendliness give more satisfaction to Internet banking business holders.

**SUGGESTIONS:**

1. Bank should improve the technical and physical accessibility of Internet banking services.
2. Bank should adopt some new policies and incentives to the Internet banking customers specially business holders for making large number of transactions.
3. Bank should improve the Internet banking service quality of bank web site and server availability.

**CONCLUSION:**

The concern of this study is the factors affecting on customer's satisfactions. The results shows that the overall customers' satisfaction regarding Bank of Maharashtra's Internet banking services were found high due to cost effectiveness and user-friendliness factors. However, it was found that the Bank of Maharashtra's Internet baking users are not completely satisfied with accessibility, system design and problem solving. With regards the relative importance of the Internet service information of Internet banking services, understanding of difficulties is regarded as the most important factor of the Bank of Maharashtra's Internet banking services.



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