



# AWARENESS AND SATISFACTION OF STUDENT CUSTOMERS TOWARDS E-BANKING SERVICES WITH SPECIAL REFERENCE TO COLLEGES IN ALEPPEY DISTRICT, KERALA

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## ABSTRACT

Modern banks offer a variety of digital services to serve their customers' needs. E-Banking is the most prominent service among them. The rapid expansion of digital technology has resulted in heightened awareness of e-banking services among individuals. This study aims to provide valuable insights that can benefit both academia and practical applications, assisting banks and policymakers in customizing e-banking services to align with the specific requirements and preferences of student community.

**KEYWORDS:** E-Banking, ATM, Internet Banking, Mobile Banking, EFT

## INTRODUCTION

Electronic Banking is a revolutionary way of delivering banking services through the internet, allowing customers to manage their accounts, make transactions, and access various banking services remotely. This technological development has not only optimized banking procedures but also transformed the way customers experience

banking services. The rapid expansion of digital technology has resulted in heightened awareness of e-banking services among individuals. Under-graduate students, who are often tech-savvy and digitally oriented, are a crucial generation to study in terms of their awareness of e-banking services. Considering their satisfaction with e-banking services is vital, as positive experiences foster higher adoption and loyalty, while negative ones can discourage usage. Studying their awareness and satisfaction among under-graduate students in Alappuzha district can illuminate light on the effectiveness on the current state of e-banking service and guide improvements for an even more seamless and satisfactory banking experience.

## **OBJECTIVES OF THE STUDY**

1. Understanding the usage of e-services.
2. Evaluating the satisfaction with e-banking services.
3. Identifying the challenges faced when using e-banking services.

## **STATEMENT OF THE PROBLEM**

Modern banks offer a variety of digital services to serve their customers' needs. This shift is driven by the inclination of customers, particularly the young generation, to avoid lengthy queues when handling tasks like check and draft clearances and money transfers. As a result, banks have prioritized the expansion of ATM networks, providing diversified services and opening new physical branches. Individuals equipped with mobile devices or smartphones utilize these devices for their banking needs. Those without high-end smartphones can conveniently access online services by utilizing their debit/credit cards at ATM machines. The current research is needed to assess the e-banking awareness, experiences, satisfaction levels, and challenges encountered by graduate customers.

## **SCOPE OF THE STUDY**

The scope of this study encompasses a comprehensive investigation into the awareness and satisfaction levels of graduate student customers in the Alleppey district regarding e-banking services. The study will explore graduate students' awareness of e-banking, their preferences for features, factors affecting usage, satisfaction levels, and potential barriers to adopting e-banking services. By concentrating on the Alappuzha district, the research will provide localized insights into the awareness and satisfaction dynamics specific to this geographical area. This study aims to provide valuable insights that can benefit both academia and practical applications, assisting banks and policymakers in customizing e-banking services to align with the specific requirements and preferences of graduate students in the Alappuzha district.

## **RESEARCH METHODOLOGY**

This study is mainly based on primary data obtained through a rating scale questionnaire developed on Google Docs. The questionnaire is meticulously crafted to align with the research objectives. The study includes a research sample of 100 students selected from particular colleges within the Alleppey district, utilizing Convenient Sampling

technique from a range of alternatives. Furthermore, supplementary secondary data is incorporated as needed, sourced from publications, business periodicals, journals, and magazines. Both primary and secondary data from diverse sources have been organized into tables, subjected to comprehensive analysis using mean, standard deviation and coefficient of variance, leading to the derivation of several meaningful conclusions.

## LITERATURE REVIEW

Several studies have examined how various dimensions of service quality relate to factors influencing customer awareness and satisfaction. Among these studies Mwiya et al. (2022) recognized security, website attributes, privacy, responsiveness, efficiency, fulfillment, and reliability as integral components of electronic service quality, all of which positively contribute to enhancing customer satisfaction. Tetteh (2022) examined how electronic banking service quality affects customer satisfaction and loyalty, revealing that convenience, ease of use, accessibility, and affordability primarily contribute to customer satisfaction. Sewaka et al. (2021) founded a notable and constructive correlation between service quality, customer satisfaction, and loyalty intention within the realm of e-banking users. Sardana and Bajpai (2020) conducted an analysis of the factors influencing the quality of e-banking services and their impact on customer satisfaction. Beshir and Zelalem (2020) centered on evaluating the influence of e-banking service quality on customer satisfaction within Ethiopia. The findings highlighted that efficiency, responsiveness, ease of use, privacy, and commission played substantial roles as predictors of customer satisfaction. The research utilized primary data sourced from two private sector banks located in the Delhi region, employed a convenient sampling method as described by Shankar and Jebarajakirthy (2019). The research conducted by Mohamud (2017) demonstrated the substantial impact of e-banking service quality on customer satisfaction, with factors like ease of use, usefulness, and cost exerting direct effects on customer contentment. Shubhara Jindal (2016) concluded that E-banking is essential and holds a promising future in India despite challenges, serving as a crucial avenue for banks to enhance profits and customer reach through technological advancements and improved service. Shraddha Nigudge (2014) inferred that while Indian banks are making efforts to promote advanced technology and e-delivery channels, E-banking is still in its early stages and needs to address challenges and create awareness to maximize its benefits in India. Siddiqi (2010) highlighted that customer satisfaction is vital for success in the competitive banking industry, emphasizing its link to related experiences and the positive impact on bank image and customer referrals.

**DATA ANALYSIS AND INTERPRETATION****Table 1**

Analysis showing the level of awareness towards various e-banking services

Services offered	ATM Banking	Debit Cards	Credit Cards	Telephone Banking	Mobile Banking	Internet Banking	EFT
Mean	4.33	4.00	3.26	3.61	3.91	3.84	3.20
Std. Deviation	.68	.82	.99	1.14	.94	.82	1.29
Variance	.46	.68	.98	1.15	.89	.68	1.25

*Source: SPSS output*

Inference: The given data suggests that the Mean and Co-efficient of Variation for each service reflect the level of awareness among respondents regarding those specific services. Higher means are indicative of greater awareness levels, with “ATM Banking” displays the highest mean of 4.33 and “Electronic Fund Transfer” exhibits the lowest mean of 3.20. “Electronic Fund Transfer” services highlights the highest coefficient of variation at 1.25, indicating notable variability in awareness levels. On the other hand, “ATM Banking” records the lowest CV at 0.46, denoting minimal disparity in awareness levels.

**Table 2**

Analysis showing the usage of various e-banking services

Use of e-banking services	Mean	Std. Deviation	Variance
Sending of Money	2.24	.740	.330
Online Purchasing	2.05	.592	.351
Payment of Bills	2.16	.761	.580
Booking of Tickets	1.73	.679	.462
Recharge DTH, SIM Cards	1.91	.752	.566
Subscribe mobile applications	1.60	.805	.648
Ordering Foods	1.77	.722	.522

*Source: SPSS output*

Inference: The provided table presents the Mean and Coefficient of Variation values for various e-banking services among respondents. A higher mean signifies a more pronounced usage level, as evidenced by “Sending of Money” registering the highest mean of 2.24, while “Subscription of mobile applications” records the lowest mean of 1.60. Notably, the Coefficient of Variation is particularly prominent for “Subscription of mobile applications” at .648, indicating significant variability in usage patterns. Conversely, “Sending of Money” demonstrates the lowest CV at .330, signifying minimal disparity in the extent of usage among respondents.

**Table 3**

Analysis showing the level of satisfaction towards e-banking

Services offered	Mean	Std. Deviation	Variance
ATM Banking	4.53	.610	.373
Debit Cards	4.26	.579	.336
Telephone Banking	3.60	.864	.747
Credit Cards	2.89	.847	.721
Mobile Banking	4.14	.804	.647
Internet Banking	4.24	.753	.568
Electronic Fund Transfer	3.84	.774	.600

Source: SPSS output

Inference: The presented table summarizes the Mean and Coefficient of Variation values concerning the satisfaction levels of respondents with various e-banking services. A higher mean score suggests a heightened satisfaction level, as evident from “ATM Banking” service attaining the highest mean of 4.53, while “Credit Cards” indicating the lowest mean of 2.89. It is noteworthy that “Telephone Banking” displays the most substantial coefficient of variation at .747, signifying noteworthy diversity in satisfaction levels. Conversely, “Credit Cards” exhibit the lowest CV at .200, implying limited discrepancy in awareness levels among respondents.

**Table 4**

Analysis showing the problems of e-banking faced by student customers

Problems of e-banking	Mean	Std. Deviation	Variance
Inadequate knowledge	3.76	.911	.831
Time consuming	3.48	.979	.959
Poor network and hanging websites	4.09	.817	.669
Complex process	3.14	.943	.889
Lack of technological requirements	3.68	1.01	1.02
Delayed complaint handling process	3.72	.932	.870
Lack of security	3.42	.944	.893

Source: SPSS output

Inference: The provided table contains the Mean and Coefficient of Variation values, give insights into the challenges encountered by respondents within e-banking services. Notably, the most significant challenge emerges as "Poor network," with the highest mean of 4.96, signifying its prevalence as a prominent issue. Conversely, "Complex process" displays the lowest mean of 23.14, representing the least encountered problem among respondents. Among the challenges, "Lack of technical requirements" stands out with the highest coefficient of variation at 1.02, underlining considerable variation in perceptions. In contrast, "Poor network" exhibits the lowest CV at 0.200, suggesting a minimal divergence in awareness levels among the respondents.

## FINDINGS

1. It is found that, with regard to the level of awareness towards e-banking services the descriptive statistics are as detailed. Based on the mean and coefficient of variation respondents are more aware of ATM Banking service and less aware of Electronic Fund Transfer.
2. The study reveal that respondents are more inclined towards utilizing e-banking services for sending money, as indicated by the higher mean and coefficient of variation. Conversely, they exhibit lower usage for subscribing to mobile applications.
3. It is discovered that, in terms of satisfaction levels with e-banking services, respondents show higher levels of contentment with ATM Banking and Debit Card services, as evidenced by both the mean and coefficient of variation. On the other hand, they exhibit lower levels of satisfaction with Telephone Banking and Credit card services.

4. It is realized that concerning the challenges encountered with e-banking services, respondents experience more issues related to Poor Network and website hang-ups, as indicated by both the mean and coefficient of variation.

## **SUGGESTIONS**

Based on the researcher's findings, it is recommended that banks formulate strategies to cater the specific needs of student customers who extensively use e-banking for different purposes. The assessment of student awareness and satisfaction regarding e-banking from colleges in Alleppey district highlights a targeted requirement for enhancing service provision. To achieve this, banks should launch awareness initiatives within colleges, educating students on the effective utilization of modern advanced banking technologies. Simplification of the process for accessing e-banking services is crucial to ensure user-friendly experiences. Customised promotional endeavors aimed at students should be employed by banks to bolster their understanding of the various e-banking services available. Incentivizing regular student engagement, banks can introduce rewards such as reduced service charges for transactions conducted through electronic channels. Ensuring top priority is cyber-security, necessitating widespread adoption of comprehensive risk mitigation measures, advanced fraud detection mechanisms, and offering personalized security preferences and alerts to enhance a sense of safety. Simplifying essential tasks like bill payments (electricity, telephone, tax) is pivotal to fostering student comfort with e-banking services, mirroring the familiarity of ATM/Debit card usage. The resolution of network issues and website glitches during e-banking transactions is imperative to elevate the overall user experience.

## **CONCLUSION**

E-Banking has made a drastic change in traditional banking operations, driven by technological advancements, competition shifts, and changing lifestyles, profoundly impacting contemporary banking practices. The shift from physical visits to the bank for transactions to the convenience of e-banking has translated into significant time and cost savings for customers. Survival in the industry now necessitates banks to offer e-banking services to effectively maintain customer relationships, as engagement with these services fosters increased interaction. This transition has been particularly pronounced among students, who now possess individual bank accounts and actively engage in e-banking via mobile phones and computers. While many students exhibit awareness of diverse e-banking services, a substantial portion still values in-person interactions with human tellers, citing concerns such as poor network connectivity, website hanging, insufficient knowledge, delayed complaint resolution, and technological inadequacies. The industry is grappling with students' perceptions and responses to e-banking developments, highlighting the imperative for building confidence in the security and benefits of these services. A comprehensive approach is required to ensure complete satisfaction across all aspects of e-banking, encompassing various service modes and emphasizing security measures and robust bank networks. Ultimately, enhancing these elements is pivotal to encouraging maximum student adoption of e-banking services.

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