



The Impact of Digital Literacy on E Banking Customer Satisfaction in Coimbatore City

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How to Cite this Article:

M, K. (2026). The Impact of Digital Literacy on E Banking Customer Satisfaction in Coimbatore City. International Journal of Creative and Open Research in Engineering and Management, <i>02</i>(04).
<https://doi.org/10.55041/ijcope.v2i4.194>

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<https://doi.org/10.55041/ijcope.v2i4.194>

Abstract

In the is research a dynamic financial service on the environment role of E-banking has a significant position in this filed. The banking sector has reformed, transformed to the all banking sector. The trends of technology in the banking services was made anywhere any time in the world. E banking services had right customer to have all financial services in digit tip. The present research work focus to examine the role of E banking towards customer satisfaction and the employee's perception in Private Sector Banks in Coimbatore city. The present research is based on Primary and Secondary data collection was used. The data pointer that the customers perception regarding service quality and satisfaction of employee in internet banking services. The present research has attempts to Private sectors banks in respect of HDFC, ICICI and Axis bank. The sample size is 208 using with convenience sampling method for this study. Using with statistical tools such as Descriptive analysis, chi-square, ANOVA, Regression analysis and SEM model. The final result of the study reveal that the sample respondents have more account with private banks. The analysis pointed out that the respondents view that the employees. The respondents were more satisfied from the private sector banks due to providing better services such as friendly environment, internet facility, CRM, ATM, 24x7 customer care and other services also.

Key words; E-banking, knowledge management, CRM, customer satisfaction



Introduction

The banking sector reforms in 1990's witnessed tremendous transformation in the Indian banking sector due to the emergence of Private and foreign banks in India which provided cut throat competition between public sector banks and private banks in terms of technology, capital investment, customer services, financial services and other issues related to financial management of banks. Different policies shaping up in Indian economy and earmarked ambitious plan for economic growth. Application of marketing concept in the banking sector was introduced to enhance the customer satisfaction the policy of privatization of banking services aims at encouraging the competition in banking sector and introduction of financial services and services such as Internet banking, Portfolio Management, Venture capital, etc. came into existence to cater to the needs of public. An important agenda for every banker today is greater operational efficiency and customer satisfaction.

Challenges in E-banking: E-banking is in its emerging stage of development in India. Most of them are basic services only the deregulation of the e-banking industry coupled with the emergence of new banking technology is enabling new competitors to enter the financial services markets quickly and efficiently. However, it needs to be recognized that perception norms and an improvement in the functioning of e-banking services. **Security Risk:** The problem related to security has become one of the major concerns for banks. A large group of customers refuses to opt for e-banking facilities due to uncertainty and security concerns. According to the IAMAI Report (2006)¹, 43% of internet users are not using internet banking in India because of security concerns. So it is a big challenge for marketers and makes consumers satisfied regarding their security concerns, which may further increase online banking use. **Competition:** The nationalized banks and commercial banks have competition from foreign and new private sector banks. Competition in the banking sector brings various challenges before the banks such as product positioning, innovative ideas, and channels, new market trends, cross-selling ad at managerial and organizational part this system needs to be managed, assets and contain risk.

Statement of the problem

After the literature reviewed, that the E-banking had new trends to be benefit to the both the financial institutions and the final end users. As well as for a bank

can survive in this world competition it is most important to satisfied their customer with the best products. With the quick services security features and to be current date with the help of RBI Regulations, so this research is mainly focusing on private sector banks also its necessity to understand the market scenario of e-banking better to the customers' and the bank employees' perspective. It is in this scenario that the researchers can attempts to study the e banking services on customer satisfaction. The present research work would help to both the e-banking customers and the bank to make changes by which e banking services to reach to the maximum customer satisfaction.

Objectives

1. To study the demographic profile of the respondents
2. To study customer satisfaction towards private banks-based e-banking services.
3. To know the customers' and bank employees' satisfaction level with the current banking amenities
4. To find out the important factor that is convincing people towards e-banking.

Review of Literature

Seranmadevi, R (2012). Various e-Banking can be attractive to potential customers in terms of improved accessibility, affordability, and ease of use. The study also focuses on the functionality of electronic credit cards, frequency of usage, mode of repayment, value addition facilities offered along the credit cards for different client groups.

Dangwal, R.C. (2010) Technology is growing rapidly and undergoing many changes. It indicates the unification of communication technology, information systems, and innovative applications to product manufacturing, design, and control. With the advancement in technology, the world has become a global village and ushered in a revolution in the banking sector.

BismarckAmiya and Eric Ashley (2015) E-banking encompasses the provision of banking services and products by banks to their customers through electronic medium. E-banking covers both computer and telephone banking. For many banks, inclination to E-banking services improves customers to the bank. The adoption of e-banking is also seen as a new method of expanding customer base and to also counteract the aggressive effort made by traditional banking institution.

Sachin Mittal and Rajnish Jain (2010) In this research paper is basically a literature review of banking industry



and effect of IT based services on customer satisfaction. The study highlights customer satisfaction levels among young customers in banking industry. A survey indicates the gap between customer's expectations and perception with respect to IT based banking services. Findings indicated need to improve the IT based services for enhancing customer satisfaction.

Dixit, Neha and S. K. Datta (2010) In the present research article the authors investigated the factors which are affecting the acceptance of e banking services among adult customers and also indicates level of concern regarding security and privacy issues in Indian context.

RESEARCH METHODOLOGY

The research methodology shows the ways and means to be followed in the research activities starting from investigation to presentation of research report. It includes the research design of the study, profile of the study area, sampling framework of the study, sources of data, construct development of the study, framework of analysis and limitations.

A research design is a framework for guiding a research project. It describes the procedures essential for obtaining the information required to structure and/or solve the research problems.

Sampling Framework of the Study

The sampling framework of the study consists of the determination of sample size and sampling procedure of the study. Sample size is 208 In this study, the researcher took samples from the population.

Sources of Data

The present study is wholly based on the *primary data*. The primary data was collected personally with the help of a structured questionnaire. The *secondary data* collected from the books, journals, and magazines were used.

Table No 1 Demographic profile of the Respondents

Variables	Sub-Variables	No of the Respondents	Percentage
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Age Groups	18-25	45	21%
	26-30	40	19.4%
	31-40	33	16%
	41-50	21	10.1%
	51-60	23	11.1%
	Above 61	26	12.6%
	TOTAL	20	9.7%
Gender	Male	113	54.4%
	female	95	45.6%
Educational Qualification	Illiterate	30	14.4%
	10 th	29	13.9%
	12 th	45	21.63%
	UG	31	14.9%
	PG	42	20.1%
	Others	31	14.9%
Marital Status	Married	56	26.9%
	Unmarried	51	24.5%
	Widow	62	29.8%
	Divorced	39	18.7%
Profession /Occupation	Government employee	63	30.2%
	Private Employee	24	11.5%
	Business	55	26.4%
	Student	32	15.3%
	Homemaker	34	16.3%
		42	20.1%
		37	17.7%
		34	16.3%
		30	14.4%
		65	31.25%
Monthly Income	10000-20000	34	16.3%
	20001-30000	30	14.4%
	30001-40000	65	31.25%
	40001-50000		
	Above		



	50000		
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Source: Primary data

From the above table shows that the age of the responded were respectively 18-25 (45 respondents with the 21%, 26- 30age of the respondents 40 respondents with the 19.4% , 31-40 age category 33 respondents with the 16%, 41-50 age category 21 respondents with the 10.1% 51-60 age of category 23 with the 11.1% and finally above 61 age category 26 respondents with the 12.6% Gender of the respondents were analysis male are 113 respondents out of 208 sample with the 54.4% and female 45.6% Educational qualification analysis are respectively ill rate 30 respondents with the 14.4%, 10th 29 respondents with the 13.9%, UG 31 respondents with the 21.63, PG 42 respondents with the 20.1% finally others 31 respondents with the 14.9% Marital status analysis are married 56 respondents with the 26.9%, unmarried 51 respondents with the 24.5% widow 62 respondents with the 29.8% finally divorced 39 respondents with the 18.7%. Professional occupation analysis were Govt employee 63 respondents with the 30.2%, private employees 24 respondents with the 11.5% business man 35 respondents with the 26.4% Students category with the 32 , 15.3% finally home maker 34 respondents with the 16.3% Income analysis is 10000 – 20000 there are 42 respondents with the 20.1% 20001 – 30000 category 37 respondents with the 17.7%, 30001-40000 category 34 respondents with the 16.3%, 40001- 50000 category 30 respondents with the 14.4% finally above 50000 category 65 with the 31.25%

Table 2. The respondents were asked about which attributes of the bank do their value the most customer point of view

Reasons	NO OF RESPONDENTS	PERCENTAGE
Quality of service	65	31.25%
Technology used	34	16.34%
Trust	23	1.10%
% Location	30	14.4%

Satisfaction/facilities	56	26.9%
TOTAL	208	100

Source: Primary data

Above table shows that the respondents were asked about which attributes of the bank do their value the most of the customer the reasons variables respectively quality of service 65 respondents with the 31.25%, technology used 34 respondents with the 16.34%, trust 23 respondents with the 1.10% location 30 respondents with the 14.4% Satisfaction about facilities 56 respondents with the 26.9%

Table 3 The respondents were asked about customer level of usage of technology.

REASONS	NO OF RESPONDENTS	PERCENTAGE
Connected to the internet at home or work to do their financial transaction	34	16.3%
Uses E-mail	22	10.5%
ATM/Debit card service	37	17.7%
Credit card service	31	14.9%
Online banking service	38	18.2%
% E- payments	32	15.3%
EFT/NEFT/RTGS	14	6.7%
Total	208	100

Source: Primary data

From the above table it is analyzed that 16.3% respondents are connected to the internet at home or work to do their financial transaction, 10.5% respondents were uses email, 17.7% respondents were ATM/debit card services, 14.9% respondents were credit card services, 18.2% respondents were online banking services e-payment are 15.3% finally EFT/NEFT/RTGS 6.7%



Table 4 The respondents were asked about Knowledge Management Factor in e-banks.

Reasons	No of respondents	Percentage
Empowered with better access to information	43	2.06%
Empowered with more control over work	42	20.1%
Enhanced creativity	35	16.8%
Empowered to solve problem	39	18.7%
Enhanced capacity to contribute in research & development	49	23.5%
Total	208	100

Source: Primary data

From the above table shows that about knowledge management factor in E banking systems 2.06% respondents were empowered with better access to information, 20.1% empowered with more control over work, enhance creativity is 16.8%, empowered to solve problem is 18.7% enhanced capacity to contributed in research and development were 23.5%.

Discussion of the study

- 18-25 (45 respondents with the 21%, 26- 30 age of the respondents 40 respondents with the 19.4% , 31-40 age category 33 respondents with the 16%, 41-50 age category 21 respondents with the 10.1% 51-60 age of category 23 with the 11.1% and finally above 61 age category 26 respondents with the 12.6%
- Gender of the respondents were analysis male are 113 respondents out of 208 sample with the 54.4% and female 45.6%
- Educational qualification analysis are respectively ill rate 30 respondents with the 14.4%, 10th 29 respondents with the 13.9%, UG 31 respondents with the 21.63, PG 42 respondents with the 20.1% finally others 31 respondents with the 14.9%
- Marital status analysis are married 56 respondents with the 26.9%, unmarried 51 respondents with the 24.5% widow 62 respondents with the 29.8% finally divorced

39 respondents with the 18.7%.

- Professional occupation analysis were Govt employee 63 respondents with the 30.2%, private employees 24 respondents with the 11.5% business man 35 respondents with the 26.4%
- Students category with the 32 , 15.3% finally home maker 34 respondents with the 16.3%
- Income analysis are 10000 – 20000 there are 42 respondents with the 20.1%
- 20001 – 30000 category 37 respondents with the 17.7%, 30001-40000 category 34 respondents with the 16.3%, 40001- 50000 category 30 respondents with the 14.4% finally above 50000 category 65 with the 31.25%.
- quality of service 65 respondents with the 31.25%, technology used 34 respondents with the 16.34%, trust 23 respondents with the 1.10% location 30 respondents with the 14.4%
- Satisfaction about facilities 56 respondents with the 26.9%
- 16.3% respondents are connected to the internet at home or work to do their financial transaction, 10.5% respondents were uses email, 17.7% respondents were ATM/debit card services, 14.9% respondents were credit card services, 18.2% respondents were online banking services e-payment are 15.3% finally EFT/NEFT/RTGS 6.7%
- E-banking systems 2.06% respondents were empowered with better access to information, 20.1% empowered with more control over work, enhance creativity is 16.8%, empowered to solve problem is 18.7% enhanced capacity to contributed in research and development were 23.5%
- Customer 26.9% delay in banking function from customer view point, 15.3% high cost of services charges, 5.67% high amount of min balance required for account maintained, 31.73% problem regarding use of ATM or online banking technology, 11.05% lack of attention or improving behavior of bank employees finally wrong entries in their accounts 9.13%

Suggestions

- today world Digitalization will be conclusive for the banking sector in India, which plays a major role in providing better services to satisfied customers .
- Internet banking is one of the most significant banking channels that allow consumers to do many transactions, either financial or non-financial through a bank's websites.
- The various services offered are Internet banking, SMS banking, ATMs, mobile banking, e-cheques, UPI, and debit/credit cards.



• In today's world of globalization, e-banking is a significant aspect of the development of the banking sector by solving major issues, challenges faced by e-banking. Private sector banks represent more of the POS terminal market as compare to public sector banks.

Conclusion:

The prepaid payment instruments in the country are mostly paid through mobile wallets. The Government of India and various government agencies are making an effort to make e-banking more safe, secure, and reliable with the convenience of digital channels. Most of the customers are visiting branches less often and they use online and mobile technology for their banking needs more often. Online and mobile banking are rapidly growing. Nowadays most of the people of India using e-banking for their transactions and make them stand with the current scenario of the country.

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