



INFLUENCE OF DEMOGRAPHIC VARIABLES ON CUSTOMER SATISFACTION ON E-BANKING IN PUBLIC SECTOR BANKS

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ABSTRACT- The aim of our research is to examine the position of chosen demographic factors on measure of service quality of Internet banking, customer value, satisfaction and trust. The advent of financial liberalization-led technology and increased competition are forcing significant shift in the way Indian banks work and offer services to their customers. In order to make sure functional quality and better customer loyalty, banks are increasingly moving into an era of great technology banking. It takes money and time to engage in the usage of technology to provide banking services then it becomes critical to examine whether technological advances actually improve the extent of customer satisfaction. This study sought to examine the influence of demographic factors on different determinants of customer fulfilment in the Indian banking industry and their connotation with the perception of service quality, value of service and overall performance in electronic banking. The customer survey (N= 290) of Indian public sector banks like Canara Bank, Punjab National Bank, and Indian Overseas Bank in Thiruvananthapuram district, Kerala, India, acquired the necessary data. The research findings showed that increased education and higher earning clients who are using Internet banking for much of their financial requirements and who have been using it for extended periods of time appear to have much more positive views and perceptions towards Internet banking services. Gender and age were merely based on the perceptions of customers of the efficiency, value, satisfaction and loyalty component of internet banking service.

Keywords: Banks, customer satisfaction, e-banking, demographic variables, public sector.

I. INTRODUCTION

The fast development and the growing acceptance of technology in different aspects of life, particularly in the service sector, have altered the way customers participate in advertising and service meetings. In general, the Internet have a huge impact on how people lead their lives. Although the internet doesn't really require any direct human interaction, it contributes to an individual's actions of service quality [1]. In due to the rising focus and usage of technologies by bank customers, banks around the world have started investing more than that in internet banking services in order to preserve their customers, grow their market share and obtain a decent edge [2]. Online banking, including some of the remote ways of providing banking services, eliminates face-to-face human encounters and providing banking customers with a much more cost-effective way to perform their financial transactions.

In the lives of human beings, financial services measures are essential. Because of the ever-evolving technology and demands of bank customers, bankers have faced major problems of late. As a consequence, banks also use technology as a method for providing financial services aim of providing successful customer services. In addition, there has been a rise in many international banks and private bank branches functioning in India [3]. In the banking sectors, competition is growing and consumer demands for banking services have also risen. Product variation is challenging in the rapidly evolving banking industry, since most banks sell

similar programs. Therefore, to improve customer fulfillment, it develops important for banking to distinguish from those other banking by terms of service-based quality [4].

Innovations in the banking industry are bringing in operational efficiency in banks and also saving time and effort for the customer. This is a win-win situation for both stakeholders. Nevertheless, with respect to advances in banking, there's any need to research the degree of customer satisfaction. In addition, the banking industry is facing strong competition [5]. In such a situation, maintaining their loyal customer base becomes difficult for banks. In an effort to accomplish this, most banks concentrate their approaches on growing customer loyalty and delivering value-added facilities to discourage their customers from switching to their rivals. In the light of these facts, it becomes important to recognize the effect of technology on customer fulfillment.

Despite the advantages associated with internet banking, for banking to sustain their attractiveness, it is critical that a customer is fulfilled. The authors believe that fulfillment will contribute to loyalty, meaning that the relationship between the customer and the bank will be improved and that clients will endure trading with the bank [6]. In the relationship of bank customers with their bank branches, Internet banking is becoming the key source of happiness. The researchers also claimed that one of the key elements for establishing good relationships with customers was client satisfaction. Nevertheless, customer satisfaction depends on the customers' perception of the performance of the Internet banking service namely aspects like privacy and protection, easy to use, accessibility, comfort, performance, accuracy, responsiveness and communication [14]. Quality of service can be seen as the single key factor that makes the banking division successful, attracts customers and maintains good relationships with customers [20]. In view of the fact that historically banking required face-to-face customer encounters, caused by uncertainties, there's been initially a reluctance to accept Internet banking [10]. The complexities were related to, among other things, the truthfulness of the technology, the quality of the technology, privacy and simplicity of usage of the technology. Consequently, banks ought to concentrate their efforts on enhancing the level of confidence of their clients in their technology [17]. The successful outcome of internet payments has a clear relation with both the caliber of the e-banking operation. Thus, it is important for banks to ease the management of telecommunication commerce for evaluation and customer satisfaction and thus to increase the standard of e-banking [7]. The banking industry, as it continues to gain competition, are amongst countless sectors where customer satisfaction has become increasingly critical in the related areas of research. The customer satisfaction has been given priority in banking [8]. From the results, it was addressed that consistency had been the connected to the negative quality amongst these banking facilities. In addition, with the exception of the incomes of a person's marriage status and empathy, there's no substantial link among demographic factors and quality of service considerations such as assurance, efficiency, etc. excluding for the income on married status and empathy of an individual.

Positive effects of online banking involve higher speed and availability of service delivery packaging, elimination of barriers to conventional banking, and the potential of banks to function without physical presence across multiple jurisdictions by merely retaining a presence on the internet [9]. Online banking also enables consumers with the opportunity to perform a variety of banking operations digitally at their comfort and at reduced cost [11]. With the increasing development in technology, clients are more likely to use the Internet to carry out their bank transactions. Consequently, banks facing the challenge of meeting the needs of their customers by enhancing their standard of service. By considering the nature of their websites and having visually pleasing physical facilities, innovations, safety measures and panels, this could be achieved by finding ways to strengthen their financial structures.

The service quality has described as a main indicator of the service's optimal customer service, that could be measured by the user. When customers equate before-service perceptions with their real-service prospects even with their real-service knowledge, the performance can be measured. In the area of internet finance, it can be designated as an overall assessment by the customer and a decision on the quality of care offered via the internet [12]. Not just for the reason that the role of bias in customer performance assessment, but rather because the way a user sees the quality of service of a website-based environment is diverse from that of conventional services, the definition of service quality can be very challenging [13]. Therefore, in various ways, many researches carried out on service quality have established different perceived service quality. As

the key factors that shaped the quality-of-service experience with online banking for bank customers, web interface, confidence, attention, and reputation and these platform elements played an important role in establishing the perceived service quality. But in the other hand, as the consumers of the factor viewed as essential to their service quality experience, four other variables like personal needs, site coordination, user acceptance, and effectiveness. It is clear from the previous studies that many factors affect the experiences of banking customers in terms of quality of service and also that people are frequently exposed to various competitive situations, indicating an increasing the need further understand the reliability of Internet banking services.

PROBLEMATIC STATEMENT

Though its intention of consumers to accept Internet banking is a feature of website new features, confidence, ease of use, lifestyle functionality, online customer service, demographic characteristics like race, age, education, earnings and internet use knowledge often affect the intention of consumers to follow and perceptions of Online banking. Different demographic variables contribute to the decision of a person to implement technology for money transfers. It is crucial to understand the behavioral factors that affect consumer perception of quality, value, satisfaction and trust of internet banking services, since it can enable banking institutions and marketers to come up with strategies to draw customers to and increase the usage of internet banking. Having regard to the above, the focus of this study is thus to inspect the part of specified demographic variables throughout the measure of service quality of a Internet banking service, consumer experience, satisfaction and loyalty in Indian public sector banks such as Canara, Punjab National, and Indian Overseas Bank in Thiruvananthapuram district, Kerala, India.

OBJECTIVES OF RESEARCH

- To identify the relationship among e-banking sizes and customer fulfilment on e-banking.
- To find the connection among demographic profile of the respondents and customer gratification on e-banking.
- To find the dimensions affecting the customer satisfaction on e-banking.

TOOLS FOR STATISTICS ASSEMBLY

In research methods, the selection of a suitable tool or procedure is a significant criterion. For the collection of client base line data, the interview guide should be used to the degree that they adopted internet-enabled financial services offered by the public service or banking institutions. The interview guide was moved on to a new component of customer online banking (b) the nature of the usage of internet-enabled services (c) client satisfaction with both the service quality and (d) customer feedback to enhance financial services.

PILOT STUDY

A sample of 290 Customers are selected from 3 banks, Canara, Punjab National, and Indian Overseas Bank in Thiruvananthapuram district, Kerala, India. and conducted a survey among selected bank customers through an interview schedule. Cronbach's Alpha method was utilized to find validity of variables employed in the questionnaire and internal consistency of scaled data. Total hundred items were checked by using Cronbach's Alpha method. The respondents are selected by using purposive sampling method. The criterion was that the customers would be using e-banking services and products at least more than 5 times a month.

II. RESULT AND DISCUSSION

E-banking means the provision, via electronic distribution networks, of banking services and products. It is characterized as the automatic delivery, via electronic, collaborative channels of communication, of banking services and services directly to customers. Cronbach Alpha is directed to assess the internal consistency of the facts. If the Cronbach Alpha value is larger than or equal to 0.7, it is measured suitable for the information

to be consistent [14,15]. Since the Cronbach's Alpha values of all the sizes were higher the boundary, the service quality dimensional features has internal constancy. Table 1 displays the demographic profile of sample respondents and Table 2 shows the reliability of data.

Table 1. Demographic outline of specimen defendants

S. No	Demography-based Variable	No. of respondents (n=290)
1.	Age:	
	20-30	47
	31-40	142
	41-50	81
	51-70	20
2.	Gender	
	Male	155
	Female	135
3.	Marital Status	
	Unmarried	112
	Married	178
4.	Educational Qualification	
	6-12 th	30
	Degree	150
	Postgraduate and above	180
5.	Type of family	
	Single	186
	Joint	104
6.	Dependents in Family	
	One	2
	Two	70
	Three & above	218
7.	Occupation	
	Agriculture	48
	Business	59
	Public	94
	Private	62
	Others	27
8.	Income	
	Below 5000	32
	5001-10000	67
	10001-30000	94
	Above 30000	97
9.	Information about Bank Schemes	
	Newspaper	7
	Media	16
	Direct visit	267
10.	Minimum investment	
	Upto 5000	68
	5001- 10000	42
	10001- 50000	57
	50001-100000	123
11.	Frequency of visit to bank	
	Everyday	0
	1-2 times per week	0
	1-2 times per Month	183

Table 2. Reliability of data

Dimensions	No. of original items	No. of items retained	Cronbach's Alpha
Responsiveness	4	4	.781
Trust	4	4	.727
Convenience	4	4	.763
Efficiency of website	5	5	.717
Security	5	5	.711

Table 3. Analysis of internet banking service quality on customer satisfaction

Factors	Unstandardized coefficient		Standardized coefficient	t	Sig
	B	Std. Error	Beta		
Constant	.167	.176	-	.948	.345
Responsiveness	.136	.098	.124	1.388	.168
Trust	.184	.087	.177	2.124	.036**
Convenience	.131	.097	.109	1.353	.179
Efficiency of website	.401	.115	.353	3.501	.001**
Security	.071	.090	-.072	.797	.427
R ₂	.660				
Adjusted R ₂	.642				
F statistics	36.300				
Significance	.000				

Multiple regression analysis was conducted in Table 3 in order to research the influence of internet providers on customer satisfaction. The independent variables were the component values of five-service quality dimension derived from factor study (Responsiveness, Confidence, Convenience, Website Efficiency and Security), while customer satisfaction was dependent. Table 3 indicates that there is a highly significant regression model ($F=36.300$, $p < 0.000$). Adjusted R is 0.642 refers to 64.2 % of the variance in the customer fulfilment. The results associated to trust expose that it has effect on customer fulfilment ($\beta = 0.177$, $t = 2.124$, $p < 0.05$) the defendant does not have effect on customer fulfilment, ($\beta = .124$, $t = 1.388$, $p > 0.05$). The findings indicate that website productivity has an effect on consumer satisfaction ($\beta = .353$, $t = 3.501$, $p < 0.05$). Additionally, convenience ($\beta = .109$, $t = 1.353$, $p > 0.05$), Security ($\beta = .124$, $t = 1.353$, $p > 0.05$) does not display the effect on customer fulfilment.

Table 4. Demographic Profile and Level of Satisfaction

S. No.	Demographic variable	Chi-square value	P value	Result
1	Age	39.704	.000	Significant
2	Gender	12.38	.060	Not Significant
3	Educational qualification	14.570	.024	Significant
4	Computer knowledge	63.340	.000	Significant
5	Occupation	51.180	.000	Significant
6	Income	38.162	.000	Significant
7	Period of relationship with bank	51.956	.000	Significant

From the above chi-square analysis in Table 4, it is implied that the demographic profile like Age, Educational qualification, Computer knowledge, Occupation, Income and Period of relationship with bank have a positive relationship with level of satisfaction of bank customers on e-banking but gender was not having any relationship with level of satisfaction on e-Banking. Hence it can be concluded that the demographic profile of respondents like age, educational qualification, computer knowledge, work, revenue and period of association with bank are having a connection with customer satisfaction on electronic banking whereas gender is not having any relationship with the same. Hence the banks should devise the right strategies to attract the different segment of customers with different age group, educational qualification, computer knowledge, occupation, income and period of relationship with bank. Normally, young customers expect more service from e-banking since they are familiar with all latest services. So, banks should improve their amenities to their prospects at the same time expectations of the elder customers also should not be ignored. Highly educated people will have the skill to operate with banking technology than the people with low education. Banks should consider this while designing e-banking services. Naturally people with good computer knowledge will feel it easy to work with technology. The people in different professions and different income groups may have different needs and services from e-banking.

With much less authority (considering the quality of the correlation), one can conclude from the finding of this research that higher education customers who are using Online banking for much of their financial accounts and who has been using it for extended time appear to have much more positive views and attitudes against internet-based banking services. It is worth emphasizing the positive linear connection between education and confidentiality and protection. Higher-educated clients tend to have valued the Internet banking service greater than less-educated clients. The assumption that better intelligent customers are aware of the consequences may be one possible reason; they has been made choices in advance to utilize the service since they has done ample study on the robust risk management capability of their bank [19]. Not a surprise, since a positive linear association was only found for those consumers who utilized online-based services for extended periods whenever it comes to loyalty.

Likewise, revenue had a positive impact on 4 of 8 dimensions of a quality of Internet banking services, including communication and receptiveness, easy of usage, efficiency and reliability of the system. Not unexpectedly, the earnings of respondents are seen to have a positive effect on Internet banking customers' understanding of value [16,21]. Even so, the findings suggest that customer revenue doesn't show a part in affecting their degree of fulfilment and the loyalty to online banking and to the bank in particular. It is

important to note that although customer sales do not play a part in affecting their sense of happiness and their commitment to Internet-based facilities and to the banking in overall, they had an impact on 4 of the 8 dimensions of the performance of Online banking. The positive impact may be due to the fact which huge-income respondents were capable to find expensive quality technology that was more efficient, better user-friendly and quicker in search of reactivity; thus, the positive impact.

It is anticipated that the pace and length of the use of internet banking will affect the perceptions of customers of the online banking services overall and their expectations of the importance of the service, fulfilment and trust to these banking service [17,18]. With regard to information and responsiveness, efficiency, consumer quality and perceived value, the amount of online banking use has a positive impact on customer insights. Similarly, in terms of communication and reactivity, consistency, functionality, device availability, the length of the use of online banking has a positive effect on consumer expectations. In addition, the duration of the use of online banking has a positive effect on the views of consumers of the importance of an e-banking service, their rates of fulfilment, along with commitment to the e-banking provider and the banking in general.

III. CONCLUSION

The primary objective of our research is to examine the important influence of demographic factors on customer fulfilment. And using a questionnaire form, the investigator gathered primary information. Consumer satisfaction has been considered as the dependent factor as five factors derived from the factor investigation such as responsiveness, suitability, confidence, website performance, and protection have been treated as independent factors. Trust and efficacy of the websites are critical for customer satisfaction, evaluating the variables individually. There is no significance for other aspects, such as responsiveness, comfort and safety. As illustrated above, the results of the research revealed that higher-educated, huge-income clients who utilize Internet banking for much of their financial accounts and who have been using it for extended periods appear to have more positive views and attitudes against e-banking services. In this regard, banks requirement to take into account their consumers' educational level, their income level, their general internet association, and also their expertise with e-banking services. For instance, banks can design their internet banking portals to make consumers with lower levels of education user-friendly, attractive and less challenging. Even so, the analysis revealed that gender and age will not have any effect on consumer expectations of the measurements of efficiency, value, satisfaction and trust of the Internet banking service. In our opinion, in order to verify or disconfirm the results of this study, these unique findings call for further analysis and to determine potential explanations for such observations, preferably and use a qualitative approach. Even so, as it exists, banks will proceed without discrimination to shop their e-banking offerings to early and old and all genders.

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