



# **A STUDY ON CUSTOMER SATISFACTION TOWARDS TECHNOLOGY ADAPTATION OF TOWN COOPERATIVE BANK IN VANIYAMBADI**

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## **ABSTRACT :**

The banking and financial services sector has adopted technology enabled banking services as a means of offering value to customers by providing them with anywhere, anytime and anyway banking as a way of enhancing their performance in terms of profitability, return on assets and return on capital employed. Despite the adoption of these technology enabled self-services; customers continued to use traditional methods of banking and indicated that they were not satisfied with these new technologies and the performance of banks remained unknown due to stiff competition from micro-financial institutions. The purpose of this study was to determine the influence of technology enabled banking services on the performance of Town co-operative bank.

**KEYWORDS:** Customer satisfaction, internet banking, ATM, mobile banking

## **INTRODUCTION :**

Technology banking is a process of using technology such as mobile phones, internet, ATMs etc. in enhancing competitiveness and performance in the banking industry in terms of profitability, return on assets and return on capital employed. In banking, the adoption of technology enabled banking was considered as subordinate to business strategy. But now with so much advancement in technology it has become as important as business strategy. Technology has provided an altogether new way of interacting and providing service to bank customers rather than merely replicating activities of the bank employees.

Electronic banking can benefit financial sector development of emerging countries by lowering costs, increasing the breadth and quality and widening access to financial services. Birch and Young analyzed the consumer side for e-banking and the results showed that consumers basically seek for transactional efficiency, choice for core and non-core banking products and access to competitive prices and returns.

World over, banks continue to adopt technology enabled banking service as a way of increasing customer satisfaction while remaining competitive and relevant in the banking industry. For instance, all banks in India have realized that in order to remain competitive and provide the best services to their customers, they need to have the latest technology in place. Irrespective of their ownership status (public sector or private sector), almost all of them have given maximum importance to technological development and deployment

### **Objectives of the study:**

1. To understand the amount of customer satisfaction towards technology adaptation of digital marketing
2. To identify areas for improvement, and propose actionable recommendations to enhance overall customer experience and satisfaction
3. Identifying factors influencing satisfaction levels, assessing the effectiveness of technology in meeting customer needs, and devising strategies to improve technology adoption and enhance overall customer satisfaction.
4. To provide customers better accessibility to the internet banking by making them informative about it

### **Needs of the study:**

1. The need of the study arises from the imperative to align banking services with evolving technological trends and customer expectations, ensuring competitiveness and sustainable growth in the digital era
2. To Understanding how technology advancements affect Town Cooperative Bank's customer satisfaction levels is crucial for developing customised strategies that improve customer experiences, preserve competitiveness, and build lasting connections in the context of digital banking.

3. Assessing the effectiveness of technological implementations in meeting customer needs, informing future technology strategies, and ensuring the bank remains responsive to evolving customer preferences in the digital age

#### *Scope of the study:*

1. The study's purview includes examining consumer attitudes, actions, and satisfaction levels with respect to the numerous technology products and services that Town Cooperative Bank offers.
2. Evaluating the influence of technological adaptation on overall customer happiness, examining the degree to which customers have adopted technology, and learning about their experiences with digital banking services
3. Assessing the effectiveness of digital banking services in meeting customer needs, and identifying opportunities for enhancing customer satisfaction through technology adaptation

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## REVIEW OF LITERATURE

- **Karjaluo H, Shaikh AA, Saarijarvi H, Saraniemi S (2019)** Mobile information services have revolutionized business models and service delivery methods by facilitating consumer access to information and order placement via mobile apps. In developed markets, mobile banking (m-banking) and mobile payment (m-payment) applications have replaced text-based mobile services. However, extant research has not addressed these mobile financial services apps (MFSAs) adequately from the perspective of consumer behavior. Thus, the present study developed and tested a series of hypotheses related to the antecedents of perceived value of MFSA use; it also examined how such use affects the development of customers' overall relationships with banks. The present study's key managerial implication is that banks' investments in developing MFSAs result in improved relationships with customers and increased business.
- **H Burk, A Pfitzmann (1989)** In present day cashless payment systems, the banks and (by installing a Trojan horse) even the manufacturers of the computer equipment used could easily observe who pays what amount to whom and when. With the increasing digitization of these systems, e.g. point-of-sale terminals and home banking, the amount of transaction data and their computerization drastically increases. Therefore, these payment systems become completely unacceptable, since compiling dossiers on the lifestyle and whereabouts of all clients will become easy. We describe the digital payment systems enabling unobservability of clients and arrange them in a general model to compare their different degrees of unobservability and their different levels of security.
- **T Niemand, JPC Rigtering (2021)** Technology is rapidly changing the financial industry. Banks, in particular, are faced with a shift from traditional, interpersonal forms of service to digital financial services. These digital technologies are more and more becoming today's standard in the banking sector, they challenge traditional business models, and they provide opportunities for banks to capitalize on. Building on the concept of entrepreneurial orientation (EO), this study of banks in Germany, Switzerland, and Liechtenstein aims at developing insights that explain how banks can use the tactics and strategies associated with EO to achieve superior performance in the digitalization age. Instead, in this time of technological change banks should develop a clear vision on digitalization that is characterized by innovation, being ahead of the competition, and a willingness to take risks.
- **AWH Yip, NMP Bocken (2018)** Sustainable business model innovation is increasingly viewed as a lever for systems change for sustainability across businesses and industries. Banks hold a unique intermediary role in sustainable development, but also have a difficult position after the 2008 financial crisis. This paper aims to explore business models for sustainability in the service industry, particularly banking. It explores the receptiveness of customers towards sustainable business models pursued by banks. The retail banking industry in Hong Kong is the focus of this work. First, a practice review and semi-structured interviews are used to develop and validate a set of sustainable business model archetypes for the banking industry. Second, surveys are conducted to test customer receptiveness for the archetypes. Further research on the attributes of these archetypes can be conducted to gain a deeper understanding why customers prefer banks to use these archetypes.
- **W Chaouali, N Souiden (2019)** This study investigates mobile banking resistance among elder individuals. More specifically, and on the basis of cognitive age as a moderator, a multi group analysis was conducted to compare the relationships between psychological and functional barriers. Data was collected from 425 elder mobile banking non-users, and Smarts 3 was used to assess the structural model and run a multi group analysis. The results indicate that tradition and image barriers affect usage, value, and risk barriers. In turn, all barriers influence resistance behavior. Furthermore, cognitive age was found to moderate these relationships. The study sheds light on the relationships between psychological and functional barriers and their effects on resistance behavior. In addition, it highlights the heterogeneity between cognitively young elders and cognitively old elders regarding their perceptions of mobile banking barriers.

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## RESEARCH DESIGN:

The type of research design used in this study is descriptive research. The Objectives of the descriptive research is to bring the problem in to focus and produce a rigorous definition

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## METHODS OF DATA COLLECTION:

Two types of data collection methods are used for this study.

*i) Primary data*

The first-ever and newly gathered primary data are those that are considered to be original in nature. Inside town cooperative bank facilities, primary data for this study will be gathered from personnel and employees of a certain department.

*ii) Secondary data*

Collections of secondary data like process, procedures, implementation etc., were taken from various books published.

**Sample Unit:**

The sample units are the customers of company inside the premises of town cooperative bank

**Sample size:**

The sample size is 110.

**HYPOTHESIS – 1**

**H0-** There is no significant association between the age of the respondents and the Educational level of the respondents.

**H1-** There is a significant association between the age of the respondents and the Educational level of the respondents.

**CHI- SQUARE – 1**

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
age * education	110	100.0%	0	0.0%	110	100.0%

		education				Total
		10th	12th	UG	PG	
age	20-30	0	3	14	11	28
	30-40	3	12	27	14	56
	40-50	4	4	12	1	21
	50 & above	2	0	1	2	5
Total		9	19	54	28	110

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	21.423 <sup>a</sup>	9	.011
Likelihood Ratio	22.547	9	.007
N of Valid Cases	110		

a. 9 cells (56.3%) have expected count less than 5. The minimum expected count is .41.

**Inference**

Since p value is 0.011 is greater than 0.05. We reject alternative hypothesis and accept null hypothesis so there is no significant difference between salary and experience of the respondents.

**ANOVA – 1****HYPOTHESIS – 2**

**H0-** There is no significant association between Does the technology adaption of the bank feel difficulty for the customers and As with the technology do you believe the advancement Improvement in the Quality Services Offered by the Banks

**H1-** There is a significant association between Does the technology adaption of the bank feel difficulty for the customers and As with the technology do you believe the advancement Improvement in the Quality Services Offered by the Banks

#### Descriptives

##### Quality Services offered by the Banks

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Yes	43	2.49	.935	.143	2.20	2.78	1	5
No	14	2.64	1.216	.325	1.94	3.34	1	5
Maybe	53	2.66	1.018	.140	2.38	2.94	1	5
Total	110	2.59	1.007	.096	2.40	2.78	1	5

#### ANOVA

##### Quality Services offered by the Banks

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.746	2	.373	.363	.696
Within Groups	109.845	107	1.027		
Total	110.591	109			

#### Inference

Since p value is 0.696 is greater than 0.05. We reject alternative hypothesis and accept null hypothesis so there is no significant difference between salary and experience of the respondents

### FINDINGS OF YOUR STUDY

- 52.7 % of the respondents are in the category of male
- 50.9 % respondents are in 30-40 years
- 52.7 % of the respondents have UG degree
- 64.5% say 50000 & Above
- 72.5% of the respondent say Effective
- 40% of the respondents say Current
- 63.6% of the respondents say Mobile Banking
- 72.5% of respondents say Effective
- 100 of respondents say Use through Internet
- 44.5% of respondents say Maybe
- Most of the employees says neutral at percentage of 50%
- Most of the employees says neutral at percentage of 40%
- 52.7% of respondents say Yes
- 40.9% of the respondents say Network Issues
- 48.2% respondents say Maybe
- Most of the employees says neutral at percentage of 34.5%
- 36.4 % of respondents say 4
- Most of the employees says neutral at percentage of 44.5%
- 44.5% of the respondents say Satisfied
- 47.3% of respondents say Yes

### SUGGESTIONS

- Setting a high priority for user-friendly digital platforms is one of the main suggestions made to Town Cooperative Bank to increase customer satisfaction with technological adoption.

- Strengthening cybersecurity defences, encouraging ongoing employee training on technology use, and often asking customers for input to guide future developments.
- Improving digital channels to make them easier to use, making sure that platforms integrate seamlessly, and developing a customer service system that responds quickly
- Encouraging the public to learn about new technology through focused communication channels could increase the user base
- Optimizing online and mobile banking interfaces for user-friendliness
- Strengthening data security protocols, offering full customer assistance for digital services, and regularly conducting surveys to collect input for ongoing enhancement

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## CONCLUSION

In conclusion, the Town Cooperative Bank study on customer satisfaction with technology adaptation highlights the need of utilising technological improvements in the banking industry. This study highlights how important technology is to improving customer happiness and overall banking experiences through a thorough examination of client perceptions and preferences. Town Cooperative Bank is better able to satisfy the changing needs of its customers and maintain its competitive advantage in the industry as it keeps incorporating cutting-edge technology solutions. In the digital age, the bank can drive sustainable growth and prosperity while fostering long-lasting relationships with its customers by prioritising customer-centric approaches and utilising cutting-edge technology.

To sum up, the results of the Town Cooperative Bank study on customer satisfaction with technology adaption highlight how crucial it is for the banking industry to adopt new technologies. The bank can successfully improve customer satisfaction and service performance by comprehending and catering to customer preferences. Town Cooperative Bank is well-positioned to take advantage of these opportunities as technology continues to transform the banking industry by placing a high priority on innovation and customer-centric tactics. The bank can create long-term loyalty and sustainable growth in an increasingly digital world by meeting and surpassing consumer expectations through continuous adaptation and integration of new technology