



# International Journal of Research Publication and Reviews

Journal homepage: [www.ijrpr.com](http://www.ijrpr.com) ISSN 2582-7421

## A Study on Customers Satisfaction of E-banking services towards PSU

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DOI : <https://doi.org/10.55248/gengpi.6.0325.11106>

### ABSTRACT

The increasing adoption of digital banking has revolutionized the customer experience, particularly within Public Sector Undertakings (PSU) banks. This study investigates customer satisfaction with e-banking services provided by PSU banks, focusing on key factors such as usability, accessibility, security, transaction efficiency, and customer support. By employing descriptive and inferential statistical techniques, the research provides a comprehensive understanding of the elements influencing satisfaction levels across diverse customer segments. The study highlights that while PSU banks have made significant advancements in digital transformation, several challenges persist. These include inconsistent service quality, technical difficulties, and concerns over data security and privacy. Customers emphasized the importance of seamless functionality, trustworthiness, and prompt assistance in ensuring a satisfactory e-banking experience. The findings suggest that PSU banks should adopt a customer-centric approach, prioritizing improved technological infrastructure, enhanced security features, and tailored service delivery. Bridging the gap between customer expectations and service delivery is critical for sustaining satisfaction and encouraging greater adoption of e-banking services. This research offers valuable insights into the dynamics of customer satisfaction and provides actionable recommendations for PSU banks to refine their e-banking strategies. The study also lays the groundwork for future research to explore emerging trends and evolving customer needs in the digital banking sector.

Keywords: Digital Banking, Customer Satisfaction, Public Sector Undertaking [PSU], E-Banking Services, Technological Infrastructure.

### Introduction

Digital banking means the digitalization of all traditional activities of bank through ATM machines, debit cards, credit cards, mobile banking, electronic banking, virtual cards and others. With the help this instruments the consumer doing bill payments, with draws, transfer of payments etc. we also know about our account details at any time without going bank and any time we transfer money at any place and any other account. The banking industry in India expanded with development of country the banking sector contribution development of our country is very large. Digital banking involves high levels of services which is websites, Google forms, immediate transaction services etc. Banks in India are moving conventional banking to conventional banking. Indian government also takes a lot of remarkable actions towards this convenience banking practice. At present, it is moving towards digital banking services. Everything is going to take place in Indian banking sector is based on digitalised banking. Though it was felt to computerization of Indian banking service sector in the year 1980 for the purpose of developing customer service in the convenient and comfortable way. The digital revolution in banking has only just begun. Today we are in phase one, where most traditional banks offer their customers high-quality web and mobile sites/apps. An alternate approach is one where digital becomes not merely an additional feature but a fully integrated mobile experience in which customers use their smart-phones or tablets to do everything from opening a new account and making payments to resolving credit-card billing disputes, all without ever setting foot in a physical branch. The introduction of digital banking has revolutionized the banking sector and modified the whole procedure of simple bank transfers. It has facilitated the customers assisting them to check their account details, pay online bills and transfer money from one account to the other in a faster way. This has helped the end user to enjoy a methodical financial life.

### Objectives of the Study:

- ❖ To assess customer satisfaction with e-banking services in PSUs.
- ❖ To identify key factors influencing customer satisfaction.
- ❖ To provide recommendations for improving customer satisfaction.

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## Literature Review:

**Kumar, Jitender; Monisha; Gupta, Ashish; Rashid, Md. Chand; Shyam, Hari Shankar (2020)** In their study, "Impact of Services Quality in E-Banking: Evidence from Indian Public Banks," the authors examined how modified SERVQUAL dimensions—Tangibility, Assurance, Empathy, Responsiveness, and Reliability—affect customer satisfaction in e-banking services of public sector banks. Data from 252 respondents indicated that all five dimensions positively influence customer satisfaction, with higher factor loadings correlating to better satisfaction levels.

**Kumar Rajeev (2015)** The research titled "Customer Satisfaction and Service Quality Perception of Technology-based Banking Services: A Study on Selected Public Sector Banks in India" explored customer perceptions of service quality in technology-based banking services. The study highlighted that while e-banking offers benefits like hassle-free and real-time banking, there remains a gap in user adoption, emphasizing the need for banks to understand and enhance e-service quality to boost customer satisfaction.

**Sardana, Shivani; Bajpai, V.N. (2020)** Their exploratory study, "E-banking service quality and customer satisfaction: an exploratory study on India," identified key determinants of e-banking service quality impacting customer satisfaction. The research found that factors such as efficiency, trust, fulfilment responsiveness, and system availability are critical, with trust and privacy emerging as the most significant influencers of customer satisfaction.

**Nandhini, Deepa; Sripriya, D.; Prakash, M. (2023)** In "A Study on Customer Satisfaction Towards E-Banking Services with Special Reference to Axis Bank," the authors assessed customer satisfaction levels with Axis Bank's e-banking services. The findings revealed that ease of use ranked highest in satisfaction, followed by privacy and security, while system speed was rated lowest. The study suggests that improving system speed and maintaining high security can enhance customer satisfaction.

**Beshir, Abdu; Zelalem, Siraj (2020)** Their research examined the effect of e-banking service quality on customer satisfaction and loyalty in Ethiopia. Using Structural Equation Modeling, they found that dimensions like efficiency, responsiveness, ease of use, privacy, and cost significantly predict customer satisfaction, which in turn positively impacts customer loyalty.

**Prasad, Aumkar (2022)** The study "Customer Perception Towards E-Banking Services in Selected Public Sector Banks - A Study in Balasore District of Odisha" analyzed customer satisfaction and perception of e-banking services. It highlighted that non-users perceive higher financial, psychological, and safety risks, suggesting a need for banks to address these concerns to improve e-banking adoption.

**Gohil, Satyajitsinh Pravinbhai, Raychada Bansari; Ruiwale, Akshita (2023)** Their comparative analysis, "A Comparative Analysis of Customer Satisfaction Over E-Banking Services of Public Sector and Private Sector Banks," evaluated customer satisfaction levels between public and private sector banks. The study found that e-banking services like ATMs, NEFT, debit and credit cards, and mobile banking are crucial in meeting customer demands for efficient services, with technically advanced banks gaining more customer preference.

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## Research Methodology

In this research, the methodology section indicates that how conduct the research. This includes data collected from people, sample of study and methods cover in primary research. So, we mention below the detail information about it.

**Primary data:** The data is collected by the survey method. The survey has been done through questionnaire by Google form.

**Secondary data:** The sources of secondary data are articles, research paper and online sites, websites etc....

**Sample size:** The sample size for this research is 174 people.

**Sampling method:** The method is simple random sampling by considering the responses from Vadodara city only.

**Statistical tools used for analysis:** Graphical method and percentage method have been used for analysis data.

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## Summary of Data Collection:

1) Age

Age Group	Percentage	No. of Respondent
18-25	58.6%	102
26-35	17.8%	31
36-45	15.5%	27
46-55	8%	14

Group: -

**Interpretation**

The data indicates that the majority of respondents (58.6%) fall within the 18-25 age group, highlighting significant participation from younger individuals, while the 46-55 group shows the lowest representation at 8%.

**2) Gender:**

Gender	Percentage	No. of Responses
Male	54.6%	95
Female	45.4%	79

**Interpretation**

The data shows that male respondents (54.6%) slightly outnumber female respondents (45.4%), indicating a nearly balanced gender distribution among the participants.

**3)Occupation**

Occupation	Percentage	Number of Responses
Employee [Private]	32.2%	56
Business Owner	10.9%	19
Employee [Government]	17.8%	31
Student	39.1%	68

**Interpretation**

The data highlights that students are the largest group at 39.1%, followed by private employees at 32.2%, while business owners represent the smallest category at 10.9%, indicating diverse occupational participation.

**1) Monthly Income:**

Income Range	Percentage	No. Of Responses
Below ₹20,000	46.6%	81
₹20,000- ₹50,000	30.5%	53
₹50,000-₹1,00,000	23.0%	40

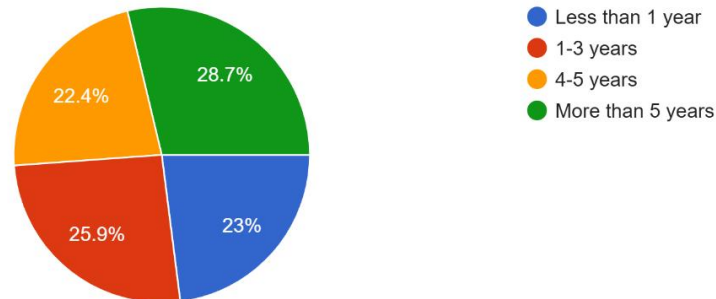
**Interpretation**

The data indicates that nearly half of the respondents (46.6%) fall in the income range below ₹20,000, with 30.5% in ₹20,000-₹50,000, and 23.0% in ₹50,000-₹1,00,000, reflecting a broad economic representation weighted towards lower-income groups.

## Analysis of Data

How long have you been using e-banking services?

174 responses

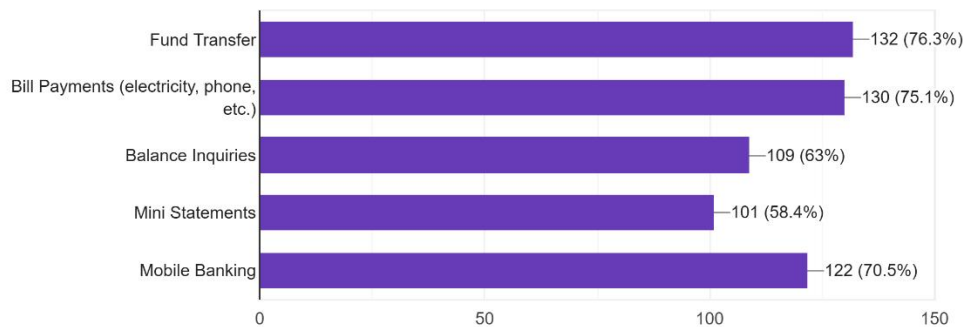


### Interpretation

The data shows that respondents are evenly distributed in their duration of e-banking usage, with the largest group (28.7%) having more than 5 years of experience and a notable portion (23%) being recent adopters with less than 1 year of usage.

Which of the following e-banking services do you frequently use?

173 responses

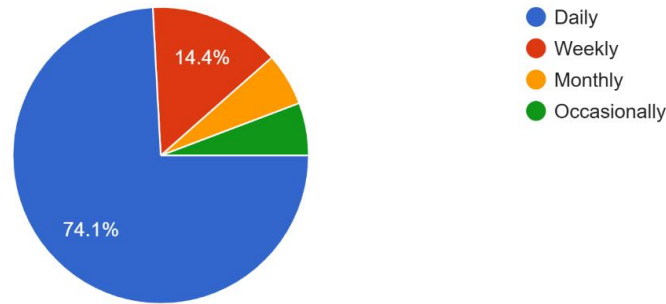


### Interpretation

The bar chart highlights Fund Transfers (76.3%) and Bill Payments (75.1%) as the most frequently used e-banking services, indicating their prominence in user preferences, while Mini Statements (58.4%) are the least utilized among the options.

### How often do you use e-banking services?

174 responses

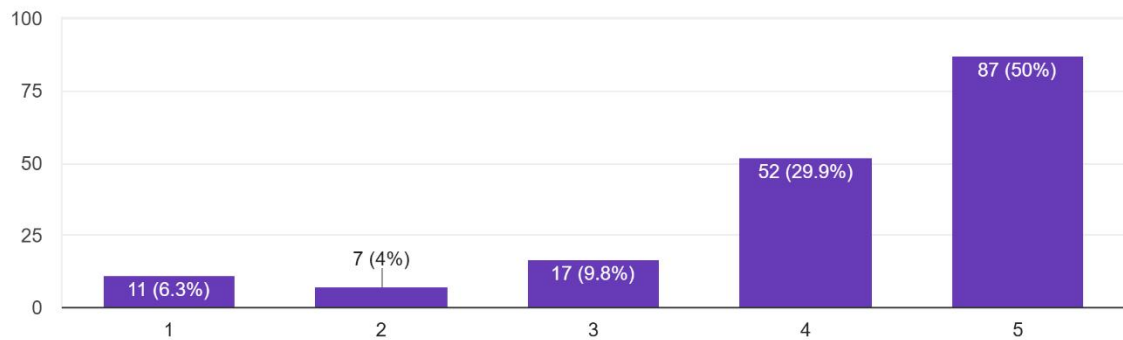


#### Interpretation

The data reveals that the majority of respondents (74.1%) use e-banking services daily, highlighting its strong integration into their routine, while occasional and monthly usage are significantly less common.

### Customer Satisfaction(Ease of Use)

174 responses

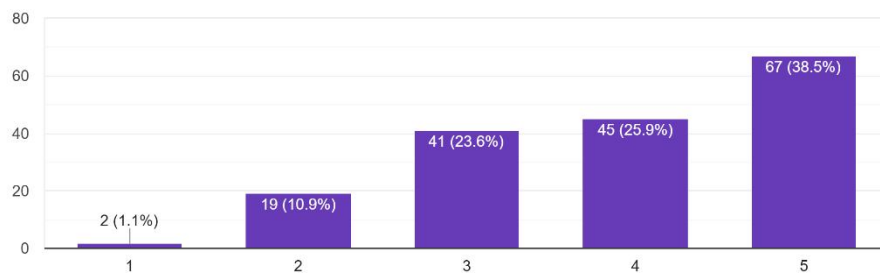


#### Interpretation

The chart demonstrates that a majority of respondents (50%) rate the ease of use of e-banking services as excellent (5), followed by 29.9% giving it a rating of 4, indicating overall high satisfaction with usability.

### Customer Support:

174 responses

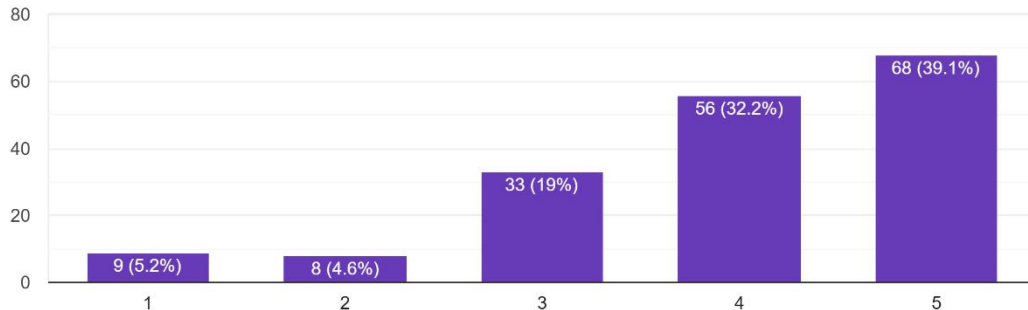


#### Interpretation

The data indicates that customer support is rated highly, with 38.5% of respondents giving it the top score of 5, while only 1.1% rated it as 1, showing overall strong satisfaction with support services.

#### Overall Satisfaction with E-banking Services:

174 responses



#### Interpretation

The data reveals that the majority of respondents (39.1%) rated their overall satisfaction with e-banking services as excellent (5), followed by 32.2% rating it as 4, indicating a high level of satisfaction among users.

#### Findings:

- ❖ Out of 174 people 95 are male and 75 are female. That means the males have more knowledge about the transactions and having more knowledge about the services provided by the banks. Only working ladies and school-college students have knowledge about that service.
- ❖ Most of the respondents whose age is under between 18-25 are using digital banking services.
- ❖ Most of the respondents are students & employees.
- ❖ The largest segment of respondents (46.6%) falls under the income range below ₹20,000, indicating significant representation from lower-income groups.
- ❖ The majority of respondents expressed high satisfaction with e-banking services, with 39.1% rating their experience as excellent (5) and 32.2% rating it as good (4).

#### Limitations of the study:

- 1) This study has been conducted purely to understand customer satisfaction of digital banking services.
- 2) This study is only limited to Indian banks.
- 3) Some of the respondents of the survey were unwilling to share information.
- 4) The information given by the respondents might be biased because some of them might not be interested in providing correct information.

#### Conclusion

The study on customer satisfaction with e-banking services in Public Sector Banks (PSBs) highlights both the strengths and challenges of digital banking in the public sector. While PSU banks have made significant strides in offering secure and accessible e-banking services, customer satisfaction remains mixed due to various factors. Key findings indicate that ease of use, security measures, and transaction efficiency contribute positively to customer satisfaction. However, concerns persist regarding slow customer support, outdated interfaces, transaction delays, and digital literacy challenges, particularly among rural and senior customers. Additionally, PSU banks lag behind private banks in terms of innovation, user experience, and mobile banking app performance, which impacts overall satisfaction levels. To enhance customer satisfaction, PSU banks need to focus on improving digital infrastructure, providing better customer support, increasing awareness about cybersecurity, and offering a seamless, user-friendly banking experience. Continuous technological upgrades and proactive customer engagement will be crucial in ensuring long-term customer trust and loyalty in the digital banking ecosystem.

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