



A Study On Customer Satisfaction Towards Digital Banking Services

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Abstract – The digital revolution has significantly changed the banking sector, making services faster, more convenient, and easily accessible through digital platforms. In India, digital banking has grown rapidly, especially after demonetization and the COVID-19 pandemic. It allows customers to perform various banking activities such as money transfers, bill payments, and checking account details anytime and anywhere without visiting a bank branch. This study aims to examine customer satisfaction with digital banking services by focusing on important factors like ease of use, security, speed of service, technical issues, and availability of features. The research is based on primary data collected from around 100 respondents through structured questionnaires. Statistical tools such as correlation, regression, and descriptive analysis were used to understand the relationship between these factors and customer satisfaction. The findings show that digital banking has a strong positive impact on customers, especially due to its ease of use and quick service. However, technical problems and system errors can reduce user satisfaction. Overall, customers appreciate the convenience of digital banking, but improvements are needed in system reliability, user interface, and customer support. The study suggests that banks should focus on improving digital platforms, reducing technical issues, and increasing awareness and digital literacy among users to enhance overall customer satisfaction.

Keyword's- Digital Banking Customer Satisfaction Ease of Use Transaction Security Service Speed Technical Issues Digital Literacy Online Banking Services Banking Technology.

I. INTRODUCTION

Now a days, most people prefer digital banking because it saves time and effort. It allows users to manage their finances from anywhere at any time. In recent years, the banking industry has experienced significant changes due to the advancement of digital technology. Digital banking has made it possible for customers to access banking services without physically visiting a bank. Through mobile apps, internet banking, and other digital tools, users can easily perform transactions, check balances, and manage their accounts at their convenience. In India, the adoption of digital banking has increased rapidly, especially after demonetization and during the COVID-19 period, when contactless transactions became essential. Government initiatives and technological developments have also encouraged people to shift towards digital modes of banking.

Despite its growth, the success of digital banking largely depends on customer satisfaction. Elements such as security, ease of use, quick service, and system reliability play an important role in shaping user experience. This study aims to examine how these factors influence customer satisfaction and to understand the challenges faced by users while using digital banking services.

The study examined factors influencing digital banking adoption and satisfaction. It found that ease of use, trust, and security are the most important factors affecting customer satisfaction. The study also highlighted that customer experience plays a major role in continued usage.

2. Kumar and Sharma (2020)

This research focused on service quality in digital banking. The findings showed that reliability, responsiveness, and convenience significantly impact customer satisfaction. The study concluded that banks must improve their digital platforms to retain customers.

3. Singh and Srivastava (2021)

The study analyzed mobile banking services and found that perceived usefulness and security concerns are key determinants of satisfaction. It also suggested that customers prefer apps that are user-friendly and fast.

4. Patil and Kulkarni (2023)

The study focused on Indian customers and found that digital literacy and awareness significantly affect satisfaction levels. It concluded that banks should provide proper guidance and education to customers.

5. Mehta and Joshi (2024)

This study revealed that customer experience, interface design, and quick grievance handling play a vital role in satisfaction. It suggested that personalization in digital banking can improve customer loyalty.

II. LITERATURE REVIEW

1. Shaikh and Karjaluooto (2019)

Objective

- To study the level of customer satisfaction towards digital banking services.



- To identify the factors influencing customer satisfaction such as security, ease of use, and convenience.
- To analyze the usage pattern of digital banking services among customers.
- To examine the problems and challenges faced by customers while using digital banking.
- To suggest measures for improving customer satisfaction in digital banking services.

III. HYPOTHESES

Hypothesis 1: Impact of Digital Banking on Satisfaction

- H0 (Null Hypothesis): Digital banking services have no significant impact on customer satisfaction.
- H1 (Alternative Hypothesis): Digital banking services have a significant positive impact on customer satisfaction.
- Hypothesis 2: Age vs Customer Satisfaction
- H0: There is no significant relationship between age and customer satisfaction in digital banking.
- H1: There is a significant relationship between age and customer satisfaction in digital banking.
- Hypothesis 3: Service Quality Factors
- H0: Factors like ease of use, security, speed, and reliability do not significantly affect customer satisfaction.
- H1: Factors like ease of use, security, speed, and reliability significantly affect customer satisfaction.

Data Collection

The study is based on both primary and secondary data.

Primary Data

Data was collected through a structured questionnaire distributed to customers of selected banks. The questionnaire included questions on ease of use, security, speed, reliability, and overall satisfaction. Responses were collected using a five-point Likert scale ranging from "Strongly Dissatisfied" to "Strongly Satisfied"

Secondary Data:

Secondary information was collected from various sources such as Reserve Bank of India (RBI) reports, bank websites, journal articles, newspapers, and research publications from Deloitte, Accenture, and government reports related to digital banking trends in India.

Sample Size and Sampling Technique

The study covered 100 respondents from both public and private sector banks, including State Bank of India (SBI), HDFC Bank, ICICI Bank, and Axis Bank. A convenience sampling technique was used due to the easy availability of respondents who actively use digital banking services. The

sample included customers from both urban and semi-urban areas to provide a balanced view.

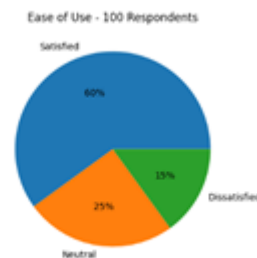
Tools and Techniques for Analysis

The collected data was analyzed using percentage analysis, mean score analysis, and graphical representation through bar charts and pie charts. These tools helped in identifying key satisfaction factors and comparing responses between public and private banks. The analysis was done in Microsoft Excel to ensure clarity and accuracy.

Graphical Representation

Q1. How satisfied are you with the ease of use of digital banking services?

- Satisfied: 60%
- Neutral: 25%
- Dissatisfied: 15%

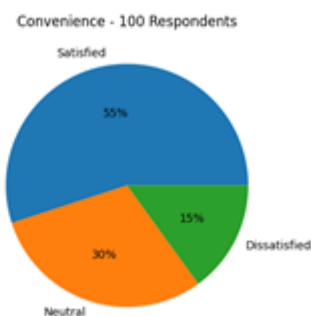


Interpretation:

The majority of respondents (60%) are satisfied, indicating that digital banking platforms are user-friendly and easy to operate. Only a small portion (15%) face difficulties, suggesting minor usability issues.

Q2. How satisfied are you with the convenience of digital banking services?

- Satisfied: 55%
- Neutral: 30%
- Dissatisfied: 15%



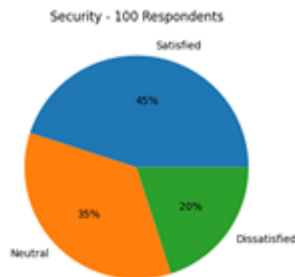
Interpretation:

More than half of the respondents (55%) find digital banking convenient, highlighting its advantage of anytime-anywhere access. However, 30% being neutral suggests scope for improving user experience.



Q3. How satisfied are you with the security of digital banking services?

- Satisfied: 45%
- Neutral: 35%
- Dissatisfied: 20%



Interpretation:

Security shows moderate satisfaction. While 45% feel secure, a significant number (20%) are dissatisfied, indicating concerns about fraud, hacking, and privacy issues.

Findings

The study reveals that digital banking services have a significant impact on customer satisfaction. A majority of respondents are satisfied with the ease of use and convenience of digital banking, indicating that these services are user-friendly and accessible anytime and anywhere. However, the level of satisfaction is moderate in terms of security, as some customers still have concerns regarding fraud and data privacy. Reliability of services also shows mixed responses due to issues like transaction failures and server downtime.

Furthermore, customer support is identified as the weakest area, with many respondents expressing dissatisfaction due to delays in problem resolution. The analysis also indicates that younger customers are more satisfied with digital banking services compared to older users, as they are more comfortable with technology. Overall, the findings conclude that while digital banking has improved customer experience and satisfaction, there is still a need for improvement in security, reliability, and customer support services.

about safe online practices to reduce fear of digital frauds

2. Improve Customer Support: Quick and accessible help desks or chatbots should be provided to resolve complaints in real time
3. Enhance Digital Literacy: Banks can conduct training workshops or awareness programs for rural and senior citizens to increase confidence in digital banking.
4. System Reliability. Banks must improve the stability of their apps and websites to avoid transaction failures and downtime.
5. Personalization: Offering personalized notifications, offers, and dashboards can make digital experiences more engaging and customer-friendly.

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IV. SUGGESTIONS

1. Strengthen Security Systems. Banks should invest in stronger cyber security systems and educate customers