

A Comparative Analysis to Assess Internet Banking Service Quality in India

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Abstract

The Indian banking sector has seen phenomenal development alongside momentous enhancement in its nature of assets and productivity since monetary progression started in the mid 1990s. With the quick development of electronic business, the financial sector which has been propelled itself for example banking sector bringing forth web banking. From giving plain vanilla banking administrations, banks have progressively changed themselves into universal banks. ATMs, Internet banking, portable banking and social banking have made "whenever anywhere banking" the standard at this point. Internet banking has pulled in consideration of numerous monetary segments like security merchants, insurance agencies and administrators in nation like India. In any case, it has raised numerous open arrangement issues before the banking controllers and government organizations. Curiously, dependable and methodical data on the extent of Internet banking in Indian setting is as yet not adequate, especially what it intends to the buyers and the bankers. The paper displays the information, drawn from a review of Internet banking consumers about and the services providers (banks) that offer Internet banking.

Keywords: *Internet Banking, Service Quality, Reliability, privacy customer perception*

Introduction

The pioneers to investigate the versatility of internet applications in India in giving internet banking services are private banks. It was evident to them that the best way to remain connected to the clients at wherever and whenever is by method for internet applications. They utilized the internet applications as a weapon of upper hand against significant banks like State Bank of India, Punjab National Bank and Indian Bank. The development of electronic banking (e-Banking) began with the utilization of programmed teller machines (ATMs) and has included phone banking, coordinate bill payments, electronic funds transfer exchange and web based banking. As indicated by a few, the future course of e-banking is the acknowledgment of mobile phone (WAP-empowered) banking and smart TV banking. In any case, it has been figure by numerous that web based banking will keep on being the most prevalent technique for future electronic monetary transactions. The cardholder pulls back funds from their accounts, for example from an ATM Deposit, where a cardholder deposits funds to their very own record (regularly at an ATM). Inter-account exchange, exchanging assets between connected records having a place with a similar cardholder Inquiry: an exchange without money related effect, for example balance request, accessible supports request or demand for an announcement of ongoing exchanges on the record. Administrative: this covers an assortment of non-monetary exchanges including Personal Identification Number (PIN) change EFT exchanges require approval and a strategy to confirm the card and the cardholder. While a trader may physically check the card holder's mark, EFT exchanges require the card holder's PIN to be sent online in an encoded frame for approval by the card backer. Other data might be incorporated into the exchange, some

of which isn't unmistakable to the card holder (for example attractive stripe information), and some of which might be asked for from the card holder (for example the card holder's location or the CVV2 security esteem imprinted on the card). India's banking division has far to go before it can contend internationally. Data innovation in India is intended to rival data innovation on the planet. Bank, with the correct innovation to give convenient data to expand profitability and subsequently observe an upper hand. Contend in the economy, which has been opened, it is unquestionably the Indian banks to follow the most recent innovation and adjust to its environment. Then again, actually the banks require much enhanced utilization of innovation to client cordial, proficient and aggressive in the present experts and organizations, they additionally require the innovation to more up to date items and more up to date types of administration and the undeniably unique worldwide condition to offer. Data innovation enables banks to fabricate new frameworks, which nibble the necessities of numerous clients that can't be viewed as today. Banks are expanding their innovation based administration choices to create supportable upper hand and this expansion in innovation selection has brought about: decreased costs, the making of significant worth included administrations for client, the assistance of their workers' occupations and at last, the arrangement of self-benefit alternatives for clients

Objective of the Study

Overall objective of this study is to trace out customer perception about Service quality assessment in internet banking. Thus main objective of the study is:

- To examine the impact of Internet banking service quality dimensions on customer satisfaction
- To analyze the impact of Overall Internet Banking Service Quality on customer satisfaction

Research Methodology

The relevant data has been obtained from primary sources. Primary data is collected by the way of questionnaire. A survey is conducted to gather primary data from the customers. Here the main emphasis is given on the customers to gather information, as customers are the ones who use the service of Internet Banking and they are different from each other on various aspects. Only the customers who use Internet banking are taken into consideration for study. Service quality in e-banking is determined by the original **SERVQUAL** scale.

Source of Data

Final questionnaire is prepared in order to know the service quality of internet banking. Questionnaire method is used to get response of internet banking users by survey method. Beside this, the information regarding weight assignment to all five dimensions, Reliability, Accessibility, Privacy Efficiency and Responsiveness" which are the key factors which determines customer satisfaction is collected from 10 internet banking users and bank managers of two leading banks i.e. State bank of India (public sector bank) and ICICI bank (private sector

bank). Total 100 internet banking users are surveyed with questionnaire specially designed with 15 questions. Out of 100 internet banking users, 50 are taken from private sector bank and 50 are taken from public sector banks. Questionnaire is prepared in two parts. First part contains 'Demographic profile of respondent of questionnaire with 10 questions. Second part represents the response of internet banking users about the quality of service and contained 15 questions. This part is designed with two options i.e. 1 for satisfactory and 2 for unsatisfactory.

Analysis and Findings

The collected data is subjected to statistical technique of central tendency weighted average mean (table 1). Weights to variable are assigned with detail discussion with internet banking users and two bank managers in which highest weight is assigned to highest priority variable and vice versa.

Table 1: Weight assignment

Variable No.	Variables	Wight
X ₁	Reliability	3
X ₂	Accessibility	2
X ₃	Privacy	3
X ₄	Efficiency	2
X ₅	Responsiveness	1

Table 2: Variable definition Response sheet

S. No.	Variable Definition	Variables	Satisfactory (in %age)	Unsatisfactory (in %age)
1	Information provide is accurate	Reliability	0.65	0.35
2	Information content and text are easy to understand		0.52	0.48
3	Links are problem free, accurate and the page downloads quickly		0.35	0.65
4	Bank's site has unrestricted access to all financial information	Accessibility	0.24	0.76
5	The bank provides the updated technology regularly.		0.41	0.59
6	Bank is easy to operate and contact		0.37	0.63
7	You can rely upon bank for not misusing your information.	Privacy	0.60	0.40
8.	You can rely on the personal information remaining in the register.		0.29	0.71
9.	the bank provides financial security and confidentiality		0.35	0.65
10.	The speed of login to your account is fast	Efficiency	0.79	0.21
11.	The speed of logout to your account is fast		0.75	0.25

12.	The bank site is easy to use	Responsiveness	0.52	0.48
13.	Knowledge and skill of contact personnel.		0.25	0.75.
14.	The bank is willing to help customers for providing appropriate information and quick service		0.37	0.63
15.	The bank site provides a confirmation of service ordered quickly.		0.47	0.53

Source: Primary Survey, 2017

The questionnaire is grouped in five substantial variables i.e. Reliability, Accessibility, Privacy, Efficiency, Responsiveness (Table 2) and average mean for each enquiry of sample of is taken. After computing average mean of each enquiry, group mean is extracted. The finding shows that internet banking users are quite satisfied in terms of efficiency variable but very low level of satisfaction in terms of accessibility of service in term of lacking of infrastructure facility, network and availability of material information. However blow data is assigned with preferred weight and overall satisfactory level is quite blow than expectation represented by table (Table 3)

Table 3: Weighted Average of Variables

Variables	Weights	Satisfactory (in %age)	Unsatisfactory (in %age)	Grouping Average of satisfactory Variables	Weight Average satisfactory Variables
Reliability	3	0.65	0.35	0.506667	0.470606
		0.52	0.48		
		0.35	0.65		
Accessibility	2	0.24	0.76	0.34000	
		0.41	0.59		
		0.37	0.63		
Privacy	3	0.60	0.40	0.413333	
		0.29	0.71		
		0.35	0.65		
Efficiency	2	0.79	0.21	0.686667	
		0.75	0.25		
		0.52	0.48		
Responsiveness	1	0.25	0.75.	0.363333	
		0.37	0.63		
		0.47	0.53		

Source: Primary Survey, 2017

Conclusions and Recommendations

The paper investigates the administration nature of I-banking agent in India from client's viewpoint. As Shown in outline 1, Reliability and Efficiency scores 51% and 68% of fulfilment level which can be considered great. Anyway different measurements, for example, Accessibility, Privacy, and Responsiveness scores 34%, 41% and 36% separately which implies there is substantially more need of enhancement. By and large weighted normal is likewise beneath half for example 47% which indicates web banking needs to yet enhance a great deal numerous angles to enhance benefit nature of banks. It is seen that clients are happy with the Reliability of the administrations given by the banks and Efficiency of web banking administrations however are not especially happy with measurement i.e. Accessibility, Privacy and Responsiveness. The internet banking will be exceptionally pivotal for India, having expanding level of more youthful age populace with computer education. The restriction of this examination is that the outcome ought not to be summed up, as the administration nature of I-banking has been tried in urban India. Moreover, a little example may not be the agent of the entire populace and consequently, in future, the exploration can be directed by taking an expansive example to encourage a powerful examination of the service quality of the net banking.

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