

Jharkhand's Digital Banking Experience: A Study of Customer Satisfaction

Gautam Kumar

Research Scholar, Department of Economics, Ranchi University, Ranchi

Abstract:

In today's world, where consumers want to go beyond traditional banking methods, digital banking is essential. In addition to changing the traditional banking process, Internet banking has given the banking industry a whole new perspective. Describes the current state of digital banking in Jharkhand, as well as customers' perceptions. With digital banking, banks run more efficiently and cut costs, but we still have a long way to go. Throughout this essay, I examine how customers perceive and react to these dramatic changes in banking. We used a structured questionnaire to get a sense of how satisfied customers are with various digital banking services. The study shows that customers are slowly getting used to digital banking and that their views on digitization are changing fast despite all the difficulties. As a result, banks need to stay ahead of the curve and update their services to match the changing customer needs and preferences.

Keywords: Traditional banking methods, Digital banking, Jharkhand, Satisfied customers.

1. Introduction:

Banks have had to deleverage and look for alternate sources of value because of tighter rules and competition. As a result, digital banking was created, where technology is primarily used for transactions. On the other hand, customers are still waiting for this seemingly revolutionary redesign of the banking experience, which includes any-time, anywhere banking, quick response times, and everywhere advisers. This study sought to understand how customer satisfaction was impacted by digital banking at the Bank in Jharkhand. To this end, surveys were conducted to determine customer attitudes and preferences regarding digital banking services.

1.1 Four goals guided the study:

- Analyze the impact of transaction speed,
- Analyze digital banking's cost,
- Estimate the effects of digital banking adoption,
- Accessibility.

In the case of Canara Bank in Jharkhand, this study aims to ascertain how customer happiness is impacted by digital banking affordability. Bank of Jharkhand clients and bank personnel were the study's target audience. 150 people who took part in the pilot experiment were among the 145 participants in the study's sample size. Within Jharkhand.

1.2 Features

- The bank's dominance over its clients is threatened more than ever. With the rise of online banking and other financial technology, customers have more options than ever.
- The most significant element in long-term success is customer satisfaction. To achieve and maintain customer satisfaction, businesses must prioritize quality and continually strive to meet customer needs.
- Frequently prompted by experiences outside of the financial services industry. These experiences offer a fresh perspective on how to best serve clients and drive value.

1.3 Significant terms

Digital banking: E-banking, PayPal-like digital wallets, mobile banking, ATMs, RTGS, and POS terminals are examples of technology-driven banking. Such technology-driven banking has revolutionized the traditional banking system, making finance more accessible and convenient.

Accessibility: The ease with which an end user or consumer can get in touch with an organization in charge of a given item or service at the right moment and at an ideal location and acquire it. Further, the organization should also ensure that the customer experience of the acquisition process is effortless and seamless.

Affordability: A cost or price that bank clients in Jharkhand consider reasonable for their budgets. As such, customers look for financial products and services that they can afford while still meeting their needs.

Adaptability: A bank customer's capacity to adapt their behavior in response to new conditions or environments brought forth by digital banking. Adaptability demonstrates experience-based learning. This ability for learning and adaptation is essential for customers to remain competitive in the digital banking landscape.

Customer Satisfaction: An assessment of a customer's response to using electronic banking platforms. This is namely if it encourages them to continue with the bank or increases the number of consumers using various digital channels platforms in Jharkhand.

Speed of Transactions: A means to estimate the speed at which a transaction utilising electronic banking would result in the desired outcome in time within Jharkhand. The time frame within Jharkhand could then be used to accurately determine the speed at which the transaction would be completed.

Commercial Bank: Bank that offers assistance to companies, including loans for capital expenditures, real estate acquisitions, and other financial requirements for both big and small enterprises. Such assistance is also extended to cover everyday business expenses, such as payroll, inventory, rent, and utilities.

1.4. Online Banking Services Are Faced With Problems

1.4.1. Issues of the law

Due to the existing regulatory framework, banks must not only confirm potential customers' identities but also look at their moral character. Therefore, although account requests can be submitted online, accounts must be opened in person. To ensure accuracy and ease of use, only in-person account openings are allowed.

1.4.2. Regulation and Oversight Issues

The current legal framework for banks will be broadened to include Internet banking, as proposed by the Group. Furthermore, the new rules will ensure that customers are adequately protected when accessing online banking services.

1.4.3. Security Standards and Technology

The Group's research suggests that banks choose a network and database operator with specific responsibilities. The security policy should have received approval from a bank's board of directors. Separate responsibilities should be assigned to the Information Technology Division, which actually implements computer systems. In contrast, the Security Officer/Group, which specializes in information system security. Information systems will also be audited by a systems auditor.

1.4.4. Internet usefulness

To benefit from Internet banking, one needs Internet connectivity. For this, he will require a computer, laptop, or PDA and Internet connectivity.

2. The study's significance:

The study's findings and recommendations might be useful to bank executives and politicians as they think about how to effectively employ digital banking. They might also help them address any gaps to improve consumer satisfaction. Furthermore, this knowledge could inform public policy decisions and shape the development of regulatory frameworks for the digital banking sector. The study may also provide insight into the relevance of customer happiness for the banking industry's ability to increase market share and achieve profitability in the face of fierce competition. The findings will be of great value to banks as they strive to improve customer satisfaction and gain a competitive edge. In light of the difficulties ahead, the study could be essential for emerging financial institutions. Therefore, it is imperative to conduct the study to help these organizations succeed.

3. Literature Review:

Yeremenko & Rudskaya (2016) The researchers examined Russian banking industry innovation in this study. They created the concept of digital banking, which includes card payments, innovative banking, digital payments, and digital banking to digital banking. The study says that bankers should embrace technology, offer services at reasonable prices, and foster client loyalty to Internet banking in order to encourage the use of contemporary banking systems or technology.

Gupta (2017), The goal of this study was to examine how the Haryana banking system was evolving and moving from a traditional model to one that was more convenient, or "cash to click." Examining patterns in the financial sector with secondary data proved to be quite helpful. In light of digital transactions, the report discusses the kind, marriage, and marriage of each bank. Moreover, scientists.

M. Vasan's (2017) research, banks should train their employees to give clients the training they need to use the digital banking system effectively. The survey also found that bankers must use the right strategy to draw clients, including professionals, students, and government employees.

Customers' satisfaction is significantly impacted by Internet banking quality, according to a study by **Firdous S. and Farooqi R. (2017)**. The dimensions include effectiveness, privacy, contact, fulfillment, system availability, responsiveness, and one-to-one contact. All of these elements combine to increase client satisfaction with Internet banking.

Look at the elements that **Massilamany and Nadarajan (2017)** claim led Malaysian customers to use digital banking services. The independent factors are trust, security, knowledge, convenience, and self-efficacy, with trust, security, convenience, and self-efficacy acting as dependent variables. This study shows the independent variable impacts the dependent variable.

Yappaditya, OBappaditya, and OBappaditya Mukhopadhy The results show a very weak correlation between cashless payments and money obtained as well as cashless payments and education level. Additionally, a strong positive association was discovered.

Sankar and Das (2018) They have explained digitalization by linking it with customer satisfaction, financial inclusion, internal and external growth of banks. With the help of government initiatives Make in India and Digital India, they have given importance to Unified Payment Infrastructure (UPI) and Bharat Interface for Money (BHIM).

Shelar and Kumar (2019) They have studied the effect of digitalization in the form of Electronic Payments Volume Growth on working capital of Kotak Mahindra bank by considering profitability, liquidity and efficiency. They found out that digitalization has reduced workforce, paper work and improved transparency whereas, cost (maintenance and fixed) also increases. Additionally, they concluded that digitalization would not directly affect profitability and efficiency in the short term.

Keribal and Debener (2020) study bank performance using digitalization as a proxy and use text mining to extract unstructured information from annual reports. The use of the word digitalization is more frequent than other words, which indicates a greater investment in digital platforms.

Review of existing literature reveals that researchers have found both positive and negative impacts of ebanking on bank performance. There is however a dearth of literature on digital banking effects on bank performance in India. This paper attempts to fill the gap. To further understand the effects of digital banking on bank performance in India, this paper contributes to existing literature by providing an in-depth analysis.

4. Research Methodology:

4.1. Research was conducted in two steps:

Primary Research- Where direct review or exploratory operations are conducted, the review is carried out recently using the available resources and the current environmental conditions. This method enables researchers to gain a greater understanding of the data collected, providing deeper insight into their topic of study.

Secondary research- A secondary research project is also often referred to as a study where the findings of an important examination are established through the use of essential information or a study of the field. In some circumstances, the inspection and translation of optional information necessitates the use of two distinct types of vital information.

The survey was conducted to obtain information for the study and gauge user satisfaction with Internet banking services. While the secondary data was mostly gained through a questionnaire-based survey, the primary data was collected through academic articles and many internet sources. A survey that asks customers to rate their satisfaction.

4.2. The study's drawbacks include:

- The research findings comprised a comprehensive framework for banking services via the internet. It also included details regarding design, content, speed, fees, and charges, as well as accessibility, convenience, privacy, and security. This research suggests that additional research will still be needed to examine different variables.
- Another problem is that there hasn't been much work done to analyse all of these factors concurrently when applied to commercial banks' online banking services. Therefore, the results of this study's analysis cannot be directly compared to those of other research studies.
- Due to an absence of pertinent research, comparisons of the elements impacting customers' and bankers' perceptions of the online banking sector were also measured.
- This study only examined a limited subset of hypotheses and literature-based standards that influence how consumers and bankers perceive online banking services offered by commercial banks.

4.3. Data Collection

Survey data is obtained by asking respondents. On a variety of issues pertaining to their intentions, attitudes, awareness, and motives, questions are asked of them. Structured data acquisition is made easier by a formal questionnaire.

In order to produce this study report, the questionnaire created for the project included questions based on several characteristics, such as job age, gender, educational qualification, etc.

Demography of interviewees

Demography	No. Of Response
Gender	
Male	80
Female	55
Age	
Below 18	10
18-25	60
25-35	45
35-50	30

Demography	No. Of Response
Education	
Diploma	50
High School	26
Post Graduation	20
Graduation	45
Vocational Degree	4
Salary	
Below One Lakh	30
1 Lakh -3lakh	48
3lakh- 5 Lakh	35
Above Five Lakh	32
Use	
Always	70
Sometimes	50
Rarely	18
Never	7
Online Banking	
Online Banking	70
Mobile Banking/UPI	105
Credit Card	59
ATM	62
Telephone Banking	20
Other	8
Device	
Phone	80
Personal Computer	34
Laptop	31
Satisfaction Level	
Extremely Satisfied	52
Very Satisfied	84
Moderately Satisfied	9
Moderately Dissatisfied	0
Very Dissatisfied	0
Extremely Dissatisfied	0
Using A Likert Scale	
Strongly Agree	60
Agree	83
Neutral	2
Disagree	0
Strongly disagree	0

5. Results and Discussion:

The six elements of this study are: presentation and strategy; writing survey; sketch of the banking sector; patterns and investors' impressions of online banking administrations; data analysis and translation; and, lastly, determination of conclusions and recommendations.

These six elements will allow a thorough review of online banking services and enable the formulation of effective strategies and recommendations. Internet banking is very similar to traditional banking with one significant exception. The primary difference between them is that internet banking is conducted digitally, online. Because you don't need to visit the bank to swap items, the consumer is happier. Given the data above, it is logical to conclude that the Internet and innovation have significantly impacted the bank. Almost 75% of Jharkhand residents are satisfied with Internet banking, but some groups need more education. In Jharkhand, more than 50% of Internet banking users are aged 25 to 35. Moreover, we can't ignore the fact that the banking industry is lagging behind in some areas due to lack of education, which prevents the populace from using and understanding Internet banking, leading them to choose non-Internet banking. To increase public awareness and usage of Internet banking, the bankers in Jharkhand should run a training program. By offering comprehensive online training modules, the bankers in Jharkhand can help ensure that everyone is familiar with the advantages of Internet banking.

The overall efficiency of the banking industry has enhanced since digitalisation was introduced. The concentrated efforts of the industry and the government to transform India into a cashless society will make the system more efficient. Employee training and feedback can improve employee efficiency, facilitating their adaptation to ever-changing technology.

The following suggestions are based on the findings, and if implemented, they'll increase the effectiveness of the cashless system.

- ATMs need to work properly. Banks should be responsible for a specific number of ATMs and assign instructors or trainers to each one. Furthermore, banks should have a policy in place to ensure that the ATMs are regularly monitored and maintained to guarantee that they are functioning properly.
- Cashless transactions should be promoted by the government. By doing so, the government can encourage people to use digital modes of payment and reduce their reliance on cash.
- To combat illiteracy, banks, educational institutions, and financial organizations should hold specialized training sessions and orientations. These sessions could provide people with the tools and skills necessary to understand financial information and make informed decisions.
- Traders and merchants can play a big role in cashless rural Jharkhand if they encourage clients to go cashless. To do this, small business owners must be given incentives to conduct business without cash.

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