

**EXPLORING THE RELATIONSHIP BETWEEN DIGITAL BANKING SERVICE QUALITY
AND CUSTOMER SATISFACTION**

Dr.D.Padma, Associate Professor, Department of B.Com (PA), Nallamuthu Gounder Mahalingam College, Pollachi : padvijaya@gmail.com

ABSTRACT

As a result of economic reforms, the banking industry underwent deregulation and increased competition. Indian banks have leveraged technology to introduce a range of digital banking products and services. This study examines consumers' usage of these digital banking products and services and analyses their awareness and satisfaction. Out of a sample of 200 customers, this study found that nearly 41% of bank customers use digital banking services for all their transactions, including funds transfer, paying bills, and checking their balance as needed. Additionally, this study found that overall satisfaction with digital banking services is the same for male and female customers and does not differ significantly. The availability of staff members and computerised counters in the bank was given the least importance by customers, as they primarily use digital banking services on their mobile devices or computers. These findings highlight the growing importance of digital banking in the modern financial landscape and the need for banks to continue investing in technology to meet customer needs.

Keywords: digital banking, customer satisfaction, facilities offered

1.1 Introduction

The banking industry underwent deregulation and increased competition due to economic reforms. In the post-reform period, new products, delivery channels, and processes were introduced, along with increased sophistication due to the more discerning nature of banking service users. To succeed in this sector, players must understand their customers, fulfil their needs, and achieve high customer retention levels by leveraging technology, knowledge, and human resources to provide quality products and services while managing risk and returns. Indian banks have introduced a range of digital banking products and services by leveraging technology. This study examines consumers' usage of these digital banking products and services and analyses their awareness and satisfaction.

1.2 Review of Literature

Ashok and Selvakumar (2006) conducted a study titled "Customer Satisfaction in Banks" to understand the feasibility of physical facilities and elicit customer opinions on their satisfaction with selected branches. The findings showed that service delivery and customer delight are among the most debated issues in the banking industry in India.

Sandip et al. (2010) conducted a study titled "Impact of Service Quality on Customer Satisfaction, Loyalty, and Commitment in the Indian Banking Sector" to examine the association between service quality and customer satisfaction, loyalty, and commitment.

Amer (2010) studied individual consumers' perception of Pakistan's Islamic banking products and services. The study explored the perception of individuals responsible for financial affairs. It examined the usage of Islamic banking facilities and respondents' understanding of the Islamic banking system on various aspects of the selection criteria.

Vidyapriya and Mohanasundari (2012) studied customer responsiveness to banking technology products in rural South India. The study aimed to measure customer knowledge of banks' technology products in rural Tamil Nadu. The research would help bank branches understand the responsiveness level of rural customers towards technology products and take necessary steps to improve.