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## Customer satisfaction towards the application of modern technology: A case study of Kashi Gomti Samyut Gramin Bank in Jaunpur district

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### ABSTRACT

*This analysis is based on primary data and carried out on customer satisfaction regarding internet technology with special reference to Kashi Gomti Samyut Gramin Bank which is the one of the RRBs in Jaunpur district of U.P. The sample size of the study is 100 and convenience sampling method was used to collect the data. The appropriate statistical tools were applied in this study such as mean score, chi-square and percentage analysis for getting appropriate results. SMS alert, user-friendly ATM services and mobile application with modern features like NEFT/ IMPS/RTGS, cheque request, Bill payments for various services which were considered by the majority of the respondents. Most of the customers are found satisfied with SMS Alert, 24 hours helpline, etc. Due to lack of awareness customers don't use frequently some banking services like mobile ATM facility, Internet technology, and RTGS, etc.*

**Keywords**— Customer satisfaction, RRBs, Banking services

### 1. INTRODUCTION

At the global level, modern technology is widely used in each and every sector, even though, banking sector could not remain unaffected with these technological advances.

The emergence of internet technology has brought drastic changes in the banking sector. With the increase of modern facilities like internet technology and ATM services etc., customers' satisfaction level regarding banking services has also been increased. The rapid changes in the banking sector can be seen after the introduction of ATM services, internet banking, and other electronic services. With the example of ICICI bank, we can understand these changes, which share of transactions in the branches by the customers has been declined drastically as it was 94% in the year 2000 and reduced to 19% in present.

A paradigmatic shift has been seen in the banking sector which can be described/underlined such as in 1950-60, the duration was known for serving the customers, 1960-80 was for satisfying customers whereas during 1980-90 banks were focused on pleasing the customers. Customers were delighted by banks in the era of 1990-2000; however, the banks have been focusing on the retention of existing customers and attraction of new customers after the year 2000.

#### 1.1 Customer Satisfaction

Customer Satisfaction is magic stick of every successful organization in India and abroad but it is not too easy for every organization to be successful. That's why only few organizations we know at national and international levels in the list of successful organizations. Although every organization wants to become successful, these phenomena bound to think academicians/ researchers/scholars/industrialists about how to measure satisfaction level of customers and how organizations can satisfy their existing and future customers. Many researchers have already conducted study in this field.

Satisfaction is comparatively the positive result of the gap between customer expectation and perceived service quality. If perceived service quality is more than customer expectations then it delighted, if perceived service quality is equal to customer expectation then it gives satisfaction and if perceived service quality is less than customer expectation, customers would be dissatisfied.

In numeric term we can say;

PS<CE=Delighted

PS=CE=satisfied

PS>CE= dissatisfied

Where; PS = Perceived Service,

CE = Customer Expectation

Due to the emergence of internet banking, competition in the banking industry becomes high. Internet banking avails lots of services to the customers and we can say that it put the banking services on the fingers of their customers. In the banking industry customers seek various services that to be fulfilled and, if his desires lack behind his need then he would ready to switch the same and look for another bank. It is very essential for a bank to satisfy its customers to retain them for a long time.

### **1.2 RRBs in India**

India is agriculturally based country and more approximately 70% of people are involved in agriculture and allied activities. The main motives of all bank are to take money from public as deposit with low interest and give it to needful customer in term of loans and advances at higher rate for development or constructive purpose but it is not so easy for bank to maintain their profits and reach the poor and needy rural people.

Government of India, with the enactment of the ordinance on 2 October 1975, established RRBs and for this purpose with the share of 50%, 35% and 15% of the central government, sponsor bank, and state government respectively. At the time of beginning, the numbers of RRBs were 6 in 1975, and it increased up to 196 until 1987, and remain constant till 2005, after that it decreased to 56 by March 2015, and remain constant till now.

### **1.3 Internet Technology in Indian Banking Sector**

Internet technology has changed banking sector scenarios in the world dramatically. The importance of internet technology can be understood as it removed the boring and time taken work of the banks and put most of the work on the figure of the customer. Nowadays, one can operate their account oneself from opening to closing the account, transactions and including various services provided by the bank.

## **2. LITERATURE REVIEW**

Dr.Naveen Kumar and Dr. VK Gangal (2012) [1] described the concept of satisfaction which varies from customer to customer and product/service to product /service. It depends on number of mental and tangible variable of customers it also depends on substitute as well as like and dislike of the customer in spite of these population and increases in demand of banking services also one of the factors which effect satisfaction.

Mesay Sala Shanka (2012) [2] in his research paper found that empathy and responsiveness are the major factors that affect satisfaction as compare to empathy and assurance, reliability was minor factors and less important factor of satisfaction was loyalty.

Ayush Gupta and Santosh Dev (2012) [3] conduct factor analysis in his research paper on five factors out of which three were most important like service quality, ambiance and hygiene, and client participation/involvement whereas the remaining two factors accessibility and finance were least important.

Ahmad Jamal and Kamal Naser's (2002) [4] study emphasize on repeat users who are aware of the banking facility and customers' rights and those who are tyro in banking services. The authors suggest that clients of the bank belong to different educational and occupational backgrounds and according to their background they respond to the bank. The proficient clients expect more from the bank in comparison with tyro customers. The bank has to make different strategies for their different clients to fulfill their demand and embrace more customers. The educational and professional level of respondents and their business activities incline them to purchase through the internet. So, bank can target them with specific strategies.

Vinita Kaura (2013) [5] found in his study that tangibility is one of the service dimensions which have a positive impact on public as well as private banks. In private bank benefit of convenience was additional positive impact on satisfaction.

The study also suggests the policy of public sector banks like trust among customers. Employees should be given autonomy in making decisions as well as framing strategies like private sector banks. For gaining respects in the eyes of customers there should be recruitment of relationship officers in public sector banks also etc.

## **3. RESEARCH METHODOLOGY**

Both primary and secondary data have been used for this research paper. Primary data includes a questionnaire survey of respondents from the study area. Secondary data is collected from various published articles, journals, books, and internet websites.

## **4. OBJECTIVES OF THE STUDY**

- To know the personal profile of the respondents of Kashi Gomti Samyut Gramin Bank (KGSGB)
- To know customer's satisfaction level regarding internet banking services of Kashi Gomti Samyut Gramin Bank (KGSGB).
- To find out the services that customers prefer to use avail by Kashi Gomti Samyut Gramin Bank (KGSGB).

**5. SAMPLE DESIGN**

The present study has been conducted for the Jaunpur district. In the selected area of research Kashi Gomti Samyut Gramin Bank (KGSGB) is the representative of RRBs which is sponsored by Union Bank of India. Around 100 customers of KGSGB are taken in Jaunpur district. However, the researchers have selected 100 respondents randomly. Due to limitations of time and cost the data was collected through a convenient sampling method. A total of 100 cases were considered for the analysis.

**5.1 Data collection**

Primary data was collected through a structured questionnaire.

Secondary data was collected from magazines, newspapers, research papers, etc.

**5.2 Statistical tools**

- **Instrument-** Questionnaire
- **Sample size-** 100 respondents of KGSGB customers
- **Aria of research-** Jaunpur district
- **Scope of the Study-** The study is more helpful for policymakers to developed appropriate strategies in the competitive environment for future banking and service organizational growth.
- **Limitations of study-** This study is based on the simple convenience sampling method on a regional basis that’s why result does not show holistic view.

**Table 1: Gender wise classification of the customers**

S. No	Gender	No of respondents	% of respondents
1.	Male	78	78
2.	Female	22	22
Total		100	100

*Source: Primary Data*

Table 1 shows that among 100 respondents, male respondents are dominant as their representation is 78% while, only 22% female is present in the study whose account in the concerned bank.

**Table 2: Age-wise classification of the customers**

S. No	Age (in a year)	No of respondents	% of respondents
1.	18-25	12	12
2.	26-35	35	35
3.	36-45	38	38
4.	Above 45	15	15
Total		100	100

*Source: Primary Data*

The above table shows that the majority of the respondents are between the age group of 26-35 years and 36-45 years as their percentage among 100 respondents is 35% and 38% respectively. 18-25-year-old respondent is least in the group with 12%.

**Table 3: Monthly income of customers**

S. No	Income	No of respondents	% of respondents
1.	Up to 10,000	20	20
2.	10,000-20,000	65	65
3.	20,000-30,000	10	10
4.	Above 30,000	05	05
Total		100	100

*Source: Primary Data*

Table 3 reveals the income group of the respondents in which 65% come in the group of 10000 to 20000 per month which shows the majority of the respondents whereas, only 5% of respondents earn above 30000.

**Table 4: Profession of the customer**

S. No	Profession	No of respondents	% of respondents
1.	Students	10	10
2.	Private employee	35	35
3.	Government employee	08	08
4.	Self-employee	15	15
5.	Others	22	22
Total		100	100

*Source: Primary Data*

Table 4 shows that according to profession majority is of private employees (35%) among 100 respondents in the study whereas; representation of government employees is least as they are only 8% among them.

**Table 5: Mean score table regarding various factors like internet banking services mobile/ telephone banking services and core services**

Q.No.	ATM	Q.No.	IBS*	Q.No.	M/TBS*	Q.No.	CS*	Q.No.	Rate
01.	2.20	04.	3.10	07.	4.75	11.	4.12	14.	3.90
02.	4.67	05.	2.95	08.	3.30	12.	3.68	15.	4.80
03.	3.94	06.	4.42	09.	3.98	13.	2.66	16.	4.80
				10.	3.31			17.	4.78
Total	10.81		10.47		15.34		10.46		18.28
AoA	3.6033		3.49		3.835		3.486		4.57

Source: Primary Data

\*IBS- Internet Banking Services, M/TBS- Mobile / Telephone Banking, CS- core services.

**Interpretation:** The above table reveals about satisfaction level of the bank’s customers with its services and product. The analysis shows that with the highest mean scored by the rate charged by the bank on the services render by them (4.57) is produced highest satisfaction level among the customers just followed by mobile/ telephone banking services of the Kashi Gomti Samyut Gramin Bank (KGSGB) bank which mean score is (3.835). Customers are also satisfied with the ATM services of the bank as it got the mean score of the (3.6033). The result shows that the customers of the concerned bank are also satisfied with internet banking services (3.49) and core services (3.486) but the satisfaction level of there with these services is least in comparison to other services of the bank.

**Table 6: Preferable services**

S. No	Services	O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
01.	ATM	32	25	07	49	1.96
02.	Internet Banking Services	12	25	-13	169	6.76
03.	Mobile / Telephone Banking	39	25	14	196	7.84
04.	core services	17	25	-8	64	2.56
		100				19.12

$$\text{Chi-square} = \sum \frac{(O-E)^2}{E}$$

Where; O = Observed frequency and, E = Expected frequency

**Null hypothesis (H<sub>0</sub>)** = There is no significant difference between the preferable service of the bank.

**Source: Calculated**

Degrees of freedom= (4-1) = 3

Level of significance =5%

Chi-square value is 19.12

Tabulated value= 7.81

**Interpretation:** The calculated value of chi-square (19.12) is more than the tabulated value (7.81), hence, the null hypothesis is rejected and alternative hypothesis is accepted. Therefore, the services given by bank are preferred differently by different customers according to their own interests and needs.

## 6. FINDINGS

- The study comprises the majority of male respondents as their percentage is 78% among 100 respondents whereas 36-45 years, age group, respondents are dominant in the study as they are 38% just followed by the age group of 26- 45 years and their percentage is 35%.
- 65% of the respondents’ monthly income lies between INR 10000- 20000 that is in the majority and only 20% of respondents earn below INR 10000 per month.
- According to the profession with 35% representation, private employees dominate in the group whereas, a group of government employees is least in the group with 8% representation among 100 respondents.
- The analysis finds out that the customers of Kashi Gomti Samyut Gramin Bank (KGSGB) are most satisfied with the rate charged by the bank on various services as it got the highest mean score (4.57).
- Customers of the concerned bank are also satisfied with services mobile/ telephone banking services by the bank and gave the mean score of (3.835) that could reduce in-branch visits of there followed by core services (3.486) and reveal customers’ satisfaction with bank’s core services.
- Customers are least satisfied with ATMs and internet banking services as it got a mean score of 3.6033 and 3.49 respectively.
- According to their purpose and need, the customer prefers different services of the bank and for this purpose chi-square is done which calculated value (19.12) is higher than that of tabulated value of chi-square (7.81). It means customers give preference differently to the different services of the bank.

## 7. SUGGESTION

It is suggested to the bank that the paperwork must be reduced in this digital world that would lead environment safety and eco-friendly. Users’ interface in applications (mobile or net banking) must be friendly and easy in understanding. The problems occur in mobile or internet banking must be sorted out and solve as soon as possible.

## **8. CONCLUSION**

In this modern era banking has become an essential part of life. The competition in present day in the banking sector has increased the highest level as public and private sectors compete with each other with their full efficiency. KGSGB is a regional rural bank and basically for providing services to rural people. However, its mobile banking and core services are very helpful to customers. In the rural areas, people are not so much aware of the banking facilities and services but KGSGB provides him a platform where they can operate their banking needs. The no. of RRBs is less and people of the rural are unaware, the need for improvement in services and awareness is required.

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