



A Study of Customer Attitude Toward ICT Services Provided by Selected Private & Public Sector Banks

Dr. Mamta Shah

Assistant Professor (Guest Faculty), IMSAR, M.D.U., Rothak

ABSTRACT

Ankrah (2012) stated that, Technology has brought about a complete paradigm shift in the functioning of banks and delivery of banking services. The purpose of this research is to find out the level of satisfaction of bank customers using electronic products and services provided by the banks. A total of number of customer taken for the study is 196.

Analysis of variance technique is employed to study the significant relationship between the occupation and customer attitude for ICT services and significant relationship between the age and customer perception for ICT services. The result of the study clearly shows that different age group of customer and different occupation group of customers have different attitude towards the banking ICT services. In this paper authors also describe how Information and Communication Technology (ICT) is important in improving the performance and efficiency of banking transactions and to bring new quality to services as it re-organizes knowledge and effectively incorporates intelligent access to and use of the data in banking system.

KEYWORDS : Customer Satisfaction, Electronic Products, Services, IT.

INTRODUCTION

Today, customers expect higher quality services from banks which, if fulfilled, could result in significantly improved customer satisfaction levels (Ankit 2011). The individual banks in the banking industry are competing for customers, and due to this, banks have now become more attractive in order to get more customers to do business with. They are also focusing on how to serve their customers with utmost satisfaction, and that has made them pay much attention to certain factors which include accuracy, flexibility, timeliness, professionalism and easy banking. This fast emerging economy is bringing with it rapidly changing technologies, increasing knowledge intensity in all areas of business, and creating virtual supply chains and new forms of businesses and service delivery channels such as ICT-banking system. As a direct consequence of the emergence of the 'digital economy', the balance of power seems to be shifting to the customers. It has also changed the way of doing banking transaction. It creates new products, service market opportunities and better service output. Technology adoption by the banks has enabled the use of different technology tools in banking, which enable bank to reduce transaction cost, saving money and also save more time. It relies greatly on information and communication technology (ICT) to attain its promise for 24 hours availability and faster delivery of financial services.

The purpose of this research is to find out the level of satisfaction of bank customers using electronic products and services provided by the banks. This was influenced by the fact that customer satisfaction has a direct relationship with profitability. This research also looked at the level of usage of information technology based products and services. The study analyzed how technology has helped to facilitate the banking services; examined how technology has helped to improve customer service in the banking industry. Changes in the banking industry such as those resulting from deregulation, rapid global networking, and the rise in personal wealth have thus made the implementation of sophisticated delivery systems (e.g. online and telephone banking, remote site automated teller machines, etc.) a strategic necessity in many cases. This research would help the bank management to know the level of electronic products and services usage as well as improving the level of satisfaction and strengthening the bond between the banks and their customers, thereby helping them to retain and/or expand their overall customer base. A weak banking sector not only jeopardizes the long-term sustainability of an economy, it can also be a trigger for a financial crisis which can lead to economic crises. Majority of the banking institutions are now putting emphasis on Marketing to make customer aware about the services and benefits offered by them. Technology, in particular, has been increasingly employed in service organizations to enhance customer service quality and delivery, reduce costs, and standardize core service offerings.

OBJECTIVES OF THE STUDY

The study aims at identifying the overall customer attitude towards the banking services. The study also aims at knowing whether demographic variables of the customer have influence on customer attitude on ICT-Banking.

HYPOTHESES

The study is based on the following hypotheses.

There is no relationship between demographic variables of the respondents like Age, Occupation, and their perception regarding services of Banking.

A. Hypothesis 1: There is no significant difference between Age of the customer and their perception toward the services of banking.

B. Hypothesis 2: There is no significant difference between occupation of the customer and their perception toward the services of banking.

RESEARCH METHODOLOGY

Both primary and secondary data collection was made. To collect the primary data Questionnaire was prepared. A pilot study was conducted to validate the reliability of the questionnaire. The questionnaire includes questions on demographic variable and the respondents were asked to rate their perception level of ICT services on a five point Likert scale. The questionnaires were widely circulated to the customers of different banks. Sample respondents are selected using convenient sampling method, through direct method and also through email. About 250 questionnaires are being circulated and responses were received from 196 customers and 54 questionnaires were found to be incomplete. Using the remaining 196 complete questionnaire the data is edited, coded and analyzed using SPSS using the tests like ANOVA.

DATA ANALYSIS AND INTERPRETATION

To analyze the two hypotheses, different demographic variables are considered. They are Age Group of the respondents and Occupation.

A. Hypothesis 1: There is no significant difference between Age of the customer and their attitude towards the services of banking.

Table 1.1. Age Group and attitude of customer on banking services - Cross tabulation

TOTAL	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
					Lower Bound	Upper Bound
19	20	2.50	.607	.136	2.22	2.78
20-29	70	2.73	.635	.076	2.58	2.88
30-39	50	2.10	.763	.108	1.88	2.32
40-49	45	2.00	.739	.110	1.78	2.22
50-59	11	1.91	.831	.251	1.35	2.47
Total	196	2.33	.769	.055	2.22	2.44

The above table depicts the relationship between the age and customer satisfaction on banking at 5% level of significance. Majority of the respondents belong to the age group of 20-29 have high level of attitude regarding the ICT services. Majority of respondents who are between the age group of 30-39 have medium level of attitude regarding the banking services and majority of them who are between 40-49 have low attitude and majority of them who are between 50-59 have very low level of perception regarding the ICT services of banking.

Table:1.2
ANOVA Table

TOTAL	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	21.192	4	5.298	10.736	.000
Within Groups	94.252	191	.493		
Total	115.444	195			

The above table depicts that the p value is .000 which is less than 0.05. So we reject the null hypothesis and accepted the alternative hypothesis. So there is significant relationship between age of the customers and their attitude towards the ICT services of banking performance.

B. Hypothesis2: There is no significant difference between occupation of the customer and their attitude toward the services of E-banking.

Table 2.1. Occupation and attitude of customers on banking services-Cross tabulation

TOTAL	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
					Lower Bound	Upper Bound
SERVICE CLASS	40	2.32	.829	.131	2.06	2.59
BUSINESS CLASS	49	2.14	.764	.109	1.92	2.36
PROFESSIONAL	55	2.13	.771	.104	1.92	2.34
STUDENTS	52	2.73	.564	.078	2.57	2.89
Total	196	2.33	.769	.055	2.22	2.44

The above table depicts the significant difference between the Occupation of the customer and customer attitude on ICT banking services. Majority of the respondents who are students have high positive attitude, majority of service class customer have medium level of attitude towards the ICT services of banking and business class and professional customer have very low attitude in regard of ICT banking services.

Table: 2.2 ANOVA Table

TOTAL	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	12.329	3	4.110	7.652	.000
Within Groups	103.115	192	.537		
Total	115.444	195			

The above table depicts that the p value is .000 which is less than .05. So we reject the null hypothesis and accepted the alternative hypothesis. So there is significant difference between occupation of the customer and their perception on ICT banking services.

CONCLUSION AND RECOMMENDATIONS

Above analysis reveals that in private banks customers are happier as compare to public banks about the services of e-Banking. Different age group customers have different perception towards the e-banking services, Mainly the old age people are having the reluctance for using e-banking facilities, so importance to be given to those people and proper training on the usage of e-banking should be given to them and

bankers have to adopt the right strategies to attract different age group and give more information about the e-banking services. Most of the customers prefer e-banking for quickness. So banks should try in all the ways that e-banking is working 24 hour round the clock and service is available to customers without any hassles. Online Customers are mainly concerned on safety issues so the banks should educate their customers on the safety use of their passwords and pin numbers and it should insist the customers that they should change the passwords and pin numbers frequently so no unauthorized fraudulent practices happen in the online banking. The study concluded that different age group of customers have different perception toward the e-banking services and the usage level of these banks' customer is different so bank should concentrate on all the age group of customers for betterment of banking system. It has also seen that different occupation group of customers have different perception toward the banking services. There are good number of customer in every group like student, service class, business class and professionals, it shows that they all are keen interesting in using the e-banking services.

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