

LITERATUR REVIEW ON CUSTOMERS DELIGHT TOWARDS DIGITAL BANKING IN PUBLIC SECTOR BANKS IN SIVAKASI

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Abstract

Review of literature plays a vital role in research. A literature review discusses the published information of a particular subject area within a certain time period. Review of literature is very useful as it summarizes, what has been done, what has not been done and what needs to be done. The researcher in this paper discuss about the various articles and studies that have been done regarding the digital banking and customer delight.

Keywords: *Customer delight, digital banking, public sector banks*

Sunith (2019), Studied about “**Customer Satisfaction in E-Banking Services**” in which he has found that Core banking solutions have enabled banks to extend full benefits of ATM services, mobile and internet banking solutions to all the customers. Core banking solutions offer a package of benefits to customers on a round the clock basis from a single centralized location through all possible delivery channels. Such a centralized approach has made a ‘one – stop solution’ for all financial services a possibility. Results of the survey do indicate customer inclination towards the use of ATM services when compared to other technology counterparts. But this phenomenon may not continue indefinitely. The dynamic nature of technology and time may lead to change in customer preferences. Again, customers will be forced to review their preferences with changes in policies and regulations of the ruling elite, which became evident during the recent demonetization regime. Customers today are left with a multitude of offers, options and opportunities when choosing banking services. They are rapidly evolving in their use of banking services and technologies. Changing customer preferences and behaviours indicate need for introduction of new strategies and latest technologies to attract and maintain customers. In fact, customer behaviours seem to change faster than lead times for new products and services.¹

Anis Ali¹ and L.S. Bisht(2018) studied about“**Customers’ satisfaction in public and private sector banks in India: A comparative study**”, in which they found that in Indian banking industry, banking customers from Urban and Rural areas were satisfied. A hypothesis is

¹ C K Sunith(2019), “Customer Satisfaction in E-Banking Services” *International Journal of Business and Management Invention (IJBMI)*, Volume8(01),pg 19-24.

framed that there is no significant difference among the customers from the Urban and Rural areas. But, behaviors of public sector banks' employees were not supportive in comparison to private sector Banks. There were some infrastructural, tangibles and ATMs related problems in Public sector Banks. There was a need to provide special training to the Public Banks employees' to deal cordially with the customers of different jobs, employment and gender. ATMs of Public Banks should be established at more convenient and easy reachable places.²

Anisha and Jeba Melvin (2018), studied about “**A Study on satisfaction level of internet banking Customers of public sector banks and private sector banks in Kanyakumari District**” in which they have found that People are using more Internet Banking services because they want to save their time, it provides banking throughout the year 24/7 days from any place have internet access and it provides some security and privacy to customers, by using state-of-the-art encryption and security technologies. Age is the major variable which influences the customer to use the Internet Banking service. Between 31years to 40 years customers are using the services to fulfill the day today activity. Male are giving more importance to the Internet Banking services than the female.³

Gokul Kumar, et.al (2018) studied about, “**A study on customer delight in banking**”, investigated the relationship between the customer delight variables and Overall satisfaction of bank through regression analysis it reveals that customer delight variables were highly influencing the dependent variable i.e. Overall satisfaction of the bank. From correlation analysis it was found that there are positive and closer relationships between few customer delight variables. Most of the people are using internet banking 1-3 times per month. Descriptive statistics shows that variables ‘Method of imposing Fines, charges’, ‘Infrastructure facilities’ and ‘Recommendation of bank to others’ were highly influencing factors.⁴

Lakshmi Narayana et. al (2018) Studied about “**A Study on Customer Satisfaction towards Online Banking services with reference to Bangalore city.**” in which they have found that The majority of the respondents has indicated that they were satisfied with the Internet banking services of the selected bank. Around 116 or 46.48% of the respondents showed that they were fairly satisfied with the bank. Conversely, it can also be seen that about 30.26% of the

²Anis Ali1, L.S. Bisht(2018), “Customers’ satisfaction in public and private sector banks in India: A comparative study”. *Alliedacademies*, Volume 2 (3).pg 27 -33.

³B.Anisha,C.L.Jeba Melvin(2018), “A Study On Satisfaction Level of Internet Banking Customers of Public Sector Banks And Private Sector Banks in Kanyakumari District” *IOSR Journal of Business and Management*, Volume 20,(5), pg 06 -10.

⁴ S.Gokul Kumar, A. Prasanth, P. Arun Prakash, T. Sisili, B. Devi Abinaya, R. Krishna Prakash, T. Susmitha& K.M. Nithya(2018), “A study on customer delight in banking”*International journal of advance research and innovative ideas in education*, Vol-4,Issue-3 2018, Pg 429-448.

respondents reported low levels of satisfaction. When this percentage of dissatisfied customers are generalized with the total number of customers of the banks, this will be quite a sizeable number and a cause of concern for the banks. To sum up, the data suggest that most respondents have a positive attitude and are satisfied with the online services of the banks.⁵

LeenaJenefa (2018) studied about “**Customer Delight-A Milestone For The Banks**”, in which they have analysed the growth opportunities of customer delight which can be transformed to a higher volume of sales of banking products and services and thus may contribute to the increase of banks’ financial performance.⁶

Santosh Kumar Gupta and Anshika Bansal(2018) studied about, “**Young Customer’s Attitude towards Digital Banking with Special Reference to Public and Private Bank in Utrakhnad**” in which they have found that most of the customers were satisfied with Digital Banking Services. Customer’s age, education, and income levels influences the customer satisfaction. The usage of up to date information and technologies for customer communication enhance the customer satisfaction. Still people of these areas were not using all the Digital Banking Services frequently because they have less knowledge about computer and internet; so they feel hesitation in using Digital Banking services. In this competition era all the banks should have to concentrate on the customer’s satisfaction to retain the existing customers and have to offer new scheme day by day to attract the new customers.⁷

Uppal (2018) studied about “**Customer delight – a milestone for the banks**”, in which he has found that customers of private and foreign sector banks were delighted rather than public sector banks because these banks were providing e-channel services to the customers. Gender wise, females and occupation wise agriculturalist were more satisfied. Customers are preferring e-banks rather than traditional banks. This was the reason that they are shifting fastly from traditional banks to e-banks. The customer service in banks particularly in public sector banks should be improved.⁸

ChandrawatiNirala, and Pandey(2017) studied about “**Role of E-Banking services towards Digital India**”, in which they have found that rapid advancement in information and

⁵ Mr. Lakshmi Narayana.K, Mr. Sri Hari.V Dr.P. Paramashivaiah (2013),“A Study on Customer Satisfaction towards Online Banking services with reference to Bangalore city”.*Acme Intellects International Journal of Research in Management*.Vol- 2(2), Pg1-18.

⁶LeenaJenefa (2018), “Customer Delight-A Milestone For The Banks”, *International Journal of Business Management Insight & Transformations*, Vol. 2,(1), pg 1-4.

⁷ Dr. Santosh Kumar Gupta, Anshika Bansal(2018),“Young Customer’s Attitude towards Digital Banking with Special Reference to Public and Private Bank in Utrakhnad”,*Account and Financial Management Journal*,Volume 3, Issue 04, Page No.-1480-1485.

⁸ Dr. R.K. Uppal(2018), “customer delight – a milestone for the banks”, *Journal of Arts, Science & Commerce*, Vol.– II, Issue –4, pg 11-22.

communication technology has significantly influenced our banking industry. Banks and financial organizations have improved their services as a financial intermediary through adopting various IT solutions. Technology now has become a tool that facilitates banks' organizational structures, business strategies, customer services and related functions. Digitalization changes face of branch banking.⁹

Inder Pal Singh and Payal Bassi (2017) studied about “**Customer Satisfaction With Internet Banking In Public And Private Bank**”, in which they have found that The web saving money has been developing quickly in India. The development in late year pulls in many banks web benefits, the opposition came about into advantage of the client inside Patiala city, because of modern base and instructive establishments, lion's share of clients were utilizing web managing an account.¹⁰

Julian Schmidt, Paul Drews and Leuphana (2017), studied about, “**Abstract Digitalization of the Banking Industry: A Multiple Stakeholder Analysis on Strategic Alignment**” in which found that Digitalization strategy should gain high priority by traditional banks, because indirect impacts from the financial crisis, the changing behavior of the customers and the strict regulation need to be integrated into such a strategy. In the realization of the digitalization strategy, traditional banks have its individual shortcomings.¹¹

Thanga Glara and Eugene Franco (2017) studied about “**A Comparative Study On Satisfaction of Customers of Public Sector And Private Sector Banks Towards E-Banking in Tirunelveli District**”, in which they have found that Public Sector banks must give individual attention and proper response to customers in providing information whereas the level of responsiveness is high in the private sector banks. This will help many customers to rely on public sector banks for their banking needs. Banks must ensure to their customers that their service was competitive. Many customers feel that the privacy and security features were to be enriched. So banks must concentrate further on security and withhold their customers and improve them more.¹²

⁹Chandrawati Nirala, and Dr. BB Pandey (2017), “Role of E-Banking services towards Digital India” *International Journal of Commerce and Management*, Research, Volume 3(4), pg 67-71.

¹⁰Inder Pal Singh, Dr. Payal Bassi (2017), “Customer Satisfaction With Internet Banking In Public And Private Bank”, *International journal of engineering sciences & research technology*, Volume 3, (3), pg 270-276.

¹¹Julian Schmidt, Paul Drews and Leuphana (2017), “Abstract Digitalization of the Banking Industry: A Multiple Stakeholder Analysis on Strategic Alignment” *Twenty-third Americas Conference on Information Systems*, Boston, pg 1-7.

¹²K. Thanga Glara, Dr. C. Eugene Franco (2017) “A Comparative Study On Satisfaction Of Customers Of Public Sector And Private Sector Banks Towards E Banking In Tirunelveli District”. *International Journal of Rresearch – granthaalayah*, Vol. 5(5), pg 53 – 62.

AnjnaRani(2016) studied about“**Customer Delight Among The Public And Private Sector Banks of India- A Comparative Study of Selected Banks of Ambala Region**”, in which they have found that the public sector banks were always known for the trust which it developed with the customers and for their existence in the society for a very long period of time. Hence, it was suggested that the public sector banks keep the trust factor and improve on the other aspect of service quality.

BhupendrasinghHada1 (2016) studied about"Online Banking and Customer Satisfaction in Public and Private Sector Banks: Evidence from India",in which have they found that Banks can influence their customer to use Internet banking by making their customer aware about the utility of the service.Proper marketing communication through proper marketing campaigns would increase consumer awareness and better acceptance of Internet banking.¹³

Kesari Singh and Nitin Gupta (2016), Studied about “**Customer’s perception and satisfaction towards services of public & private sector banks**” in which they have found that the customers satisfaction with respect to the services provided by public and private sector banks. Various parameters viz. service effectiveness, accessibility, cost, tangibility and bank reliability were used to measure the customer satisfaction. These parameters were further evaluated by recording the customer responses towards various service quality indicators.¹⁴

Raghavendra and SravanKumar(2016), studied about “**Customers Satisfaction towards Internet Banking Services (A Study Focused On Public Sector Banks in Rayalaseema Region)**” in which they have found that prompt response, confidentiality, web site design and ease of use factors that affect customer satisfaction. Customer’s gender, age, education, and income levels influence the customer satisfaction. The usage of up to date information and technologies for customer communication enhance the customer satisfaction. The study is limited to exploring customer satisfaction on internet banking services provided by banks and effect of demographics on satisfaction.¹⁵

Reeta and Manju Asht (2016), Studied about “**E-banking in India: current and future prospects**” in which they have found that banks are making earnest efforts to popularize the e-banking services and products. Younger generation is commencing to optically discern the convenience and benefits of e-banking. In years to come, e-banking will not only be customary mode of banking but will be chosen mode of banking. No doubt Indian banks are making sincere

¹³ Dr. BhupendraSinghHada (2016), "Online Banking and Customer Satisfaction in Public and Private Sector Banks: Evidence from India" *IOSR Journal of Business and Management (IOSR-JBM)* Volume 18, (4), PP 10-20.

¹⁴ Kesari Singh and NitinGupta (2016), “Customers perception and satisfaction towards services of public & private sector banks”, *International Journal of Management*, Volume7(6),pp 77-88.

¹⁵ B. Raghavendra, P. Sravan Kumar(2016),“Customers Satisfaction towards Internet Banking Services (A Study Focused On Public Sector Banks in Rayalaseema Region)”, *International Journal of Management and Commerce Innovations*, Vol. 4, Issue 1, pp: (491-498).

efforts for the adoption of advanced technology and for installation of e- delivery channels but still masses are wary of the concept and still there are many challenges cognate to the safety and security of the money and information so some special arrangements should be made by banks to ensure full security of customers' funds. Technical defaults should be evaded by employing well trained and expert technicians in field of computers, so that loss of data can be avoided. Seminars and workshops should be organized by the banking professionals on the salubrious utilization of e-banking services especially for those who are ATMs or computer illiterate. E-banking services should be customized on basis of age, gender, vocation etc. so that needs and requisites of people can be rewarded accordingly. Government should magnify investments for the construction of well- furnished building and infrastructure.¹⁶

Trapti Pandya et.al(2016) Studied about ,“**Customer Satisfaction in Public Sector Bank (A Study of South Rajasthan)**”, in which they have found that it can be said that although the customers were satisfied with the availability of various services, products, basic infrastructure facilities of the bank etc. but also they were found least satisfied on the personal ground like their grievance handling, considering them as valued customers, willingness to listen and respond. Hence, these areas should be looked upon by the bank for its success. Since highly significant correlation is found between HRM, HRD practices of the bank customer satisfaction.¹⁷

Gayatri Chopra (2015) studied about “**A Study of Customer Delight with Special Reference to HDFC Bank In Delhi And NCR Region**”, in which they have found that Customer Delight involves going beyond satisfaction to delivering what can be best described as a pleasurable experience for the client. Variables namely Tangibles, reliability, responsiveness, assurance, empathy and accessibility play a vital role in creating Customer Delight.¹⁸

Velmurugan and E.Vanitha(2015) studied about “**Customer Satisfaction of Public Sector Banks**”, in which they have found that staff should cooperate with customers and emphasis should be given on customer relationship management. Consumer grievance handling system should be fast so that consumer can be satisfied. More number of ATM counters may be opened in Rural and Semi-urban areas, which assist to increase the customer's satisfaction. Charges levied for Cheque Collection and Demand Draft may be reduced to certain extent and the bill and cheque collection time may be reduced. Rate of interest can be reduced for small borrowers like agriculturists, SSI units and the like. Customers, who hold account for a longer period of time, may be honoured by providing loan at cheaper rate of interest or offering high rate of interest for

¹⁶Reeta and ManjuAsht (2016),“E-banking in India: current and future prospects”I J A B E R, Volume14, Issue7, Pg 1-14.

¹⁷Dr. Trapti Pandya1, Dr. NeetiMathur and Mr. HimanshuMathur(2016), “Customer Satisfaction in Public Sector Bank (A Study of South Rajasthan)” *Imperial Journal of Interdisciplinary Research*, Volume2(9), pg 550-556.

¹⁸ Dr. Gayatri Chopra (2015) “A Study of Customer Delight with Special Reference to HDFC Bank in Delhi And NCR Region”. *International Journal of Scientific Research and Management (IJSRM)*, Volume5,(08), Pg6591-6602.

their deposits. Customer satisfaction depends on Service quality of banks. Hence, banks are instructed to enhance their service quality, thereby customer's satisfaction will be increased.¹⁹

KomwutUnyathanakorn and NopadolRompho (2014) Studied about “**Factors Affecting Customer Satisfaction in Online Banking Service**” The value given to customers, such as reasonable transaction fees, no charge for transfer of funds within the bank or a lower fee for cross-bank transfers within the same area has a significant effect on customer satisfaction.

Doddaraju (2013) studied about “**A Study on Customer Satisfaction towards Public and Private Sector Banking Services [with Special Reference to Anantapur District of Andhra Pradesh]**”, in which they have found that Satisfaction level with regard to the PSU courtesy shown by bank staff at the counter was very low. Therefore, the banks should pay special attention to ‘Human Resource Development’ by giving timely training to the employees to conduct themselves better. Banks should win customers confidence by providing them guidance regarding service charges, services tax, interest rate, penalty if any, etc., at an early stage.²⁰

Pallabsikdar and Munishmakkad (2013), studied about “**Internet banking in India-a perspective on benefits and challenges involved**”, in which they have found that Commercial banking operations in the long-run can be majorly optimized by minimizing the branch based interactions with the customers, enabling the banks to focus on direct selling and other activities requiring higher focus on the part of commercial banks. Adoption of technology towards providing accessibility of routine banking services to customers is inevitably the way forward for the commercial banks.²¹

Vijay Prakash Gupta and Agarwal(2013), studied about, “**Comparative study of customer satisfaction in public and private sector banks in India (a case study of Meerut region of Uttarpradesh)**” in which they have found that to be successful in banking sector, banks must provide service to their customer that at least to meet it or better if exceeds their expectations, and the study provided some sort of guidelines to the policy makers (managers) of banks to take appropriate decision to improve the quality of services in Indian banking. The

¹⁹Dr.R.Velmurugan and Dr. E.Vanitha(2015), “Customer Satisfaction of Public Sector Banks”*Gjra - global journal for research analysis*, Volume 4, Issue 4,pg 1- 3

²⁰ M.E. Doddaraju (2013)“A Study on Customer Satisfaction towards Public and Private Sector Banking Services [with Special Reference to Anantapur District of Andhra Pradesh]”,*Global Journal of Management and Business Studies*.Volume 3, Issue 3, pp. 287-294.

²¹Pallabsikar,Munishmakkad(2013), “Internet banking in India-a perspective on benefits and challenges involved”*International Association of Scientific Innovation and Research*,Volume 5(1).pg 15 -23.

customer satisfaction in terms of service quality was a relational marketing paradigm. The relationships were mostly viewed from the perspective of the firm providing services.²²

Abdullah Bin Omar, et. al (2012) Studied about, “Customer Perception towards Online Banking Services: Empirical Evidence from Pakistan” This study reveals that the major issues in the Internet banking services are security, safety and the lack of trust especially on ATM machines. Fraudulent transactions, robbery, bad and unreliable ATM services (e.g. stuck-up the ATM card, incorrect Dr or Cr amount in the account etc) were the reasons which played a vital role in reducing the trust of consumers on Internet Banking. The results also show that reliability, convenience, speed, safety and security have the major contribution to retain and attract the customers. Finally the services which were not available in Pakistan by all banks e.g. Cash depositing facility through ATM machines, “SMS/E-mail Alert” Service, Payment of utility bills through internet etc were the most desirable services for the customers.²³

Nirmaljeet Virk and Prabhjot Kaur Mahal(2012), Studied about, “Customer Satisfaction: A Comparative Analysis of Public and Private Sector Banks in India” in which found that if the facilities in the branch viz. infrastructure, ambience, décor, sitting facility, signage, etc. were adequate, it not only leads to customer satisfaction but overall improvement in working of the branch as well whether it was services by teller, managers, loan services or mutual fund services. If all the signage were in place it will direct the customer to right desk without wasting their time which further helps the service officer in attending the customers in time and cater to their needs.²⁴

²²VijayPrakash Gupta and P.K. Agarwal(2013),“Comparative study of customer satisfaction in public and private sector banks in India (a case study of meerut region of U.P.)”. *Global Journal of Business Management*, Vol. 7, No. 1, Pg 16-26.

²³**Abdullah Bin Omar,Naveed Sultan, KhalidZaman, NazishBibi, Abdul Wajid, and Khalid Khan(2012),** “Customer Perception towards Online Banking Services: Empirical Evidence from Pakistan”, *Journal of Internet banking and commerce*.ISSN: 1204-5357.

²⁴Nirmaljeet Virk and Prabhjot Kaur Mahal(2012), “Customer Satisfaction: A Comparative Analysis of Public and Private Sector Banks in India”. *Information and Knowledge Management*, Vol 2, No.3 . Pg 1-7.