

# Level of satisfaction Towards E-Banking services offered by Public and Private Sector banks

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**Abstract:** The level of satisfaction towards E-Banking services offered by Public and Private Sector banks reflects customers' overall evaluation of digital banking facilities such as internet banking, mobile banking, online fund transfers, and digital payment services. It indicates how effectively these banks meet customer expectations in terms of convenience, security, speed, and service quality. Both Primary and Secondary data has been used for the study. The sample size for the study is 385. The sampling technique is used for the study is Convenience sampling method. The findings of the study shows that 24x7 availability of the bank website secured the highest mean score ranked first, indicating that customers highly value uninterrupted access to banking services.

**Keywords:** E-Banking, Customer Expectations, Convenience, Service Quality.

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## 1. INTRODUCTION

### 1.1 Introduction:

The rapid advancement of information and communication technology has transformed the traditional banking system into a modern, technology-driven financial service sector. E-banking, also known as electronic banking or digital banking, refers to the delivery of banking services and products through electronic channels such as the internet, mobile applications, Automated Teller Machines (ATMs), and other digital platforms. The emergence of e-banking has significantly changed the way customers interact with banks by providing convenient, time-saving, and efficient banking solutions. Both public and private sector banks have adopted e-banking services to enhance operational efficiency, improve customer satisfaction, reduce transaction costs, and expand their customer base. In India, the growth of digital infrastructure, government initiatives like Digital India, increasing smartphone penetration, and the rising popularity of online payment systems such as UPI have accelerated the adoption of e-banking services among customers across urban and rural areas. Public sector banks play a vital role in extending digital banking services to rural and semi-urban regions, ensuring financial inclusion and accessibility to a wider population.

On the other hand, private sector banks are recognized for their technological innovation, user-friendly digital platforms, and quick service delivery, which attract a large number of customers, especially in urban areas. Despite the widespread adoption of e-banking services, several challenges such as cyber security risks, lack of digital literacy, technical issues, and customer trust continue to influence the effectiveness of these services. Therefore, understanding the e-banking services offered by public and private sector banks is essential to evaluate their performance, service quality, and customer satisfaction levels. This study focuses on analyzing the various e-banking services provided by public and private sector banks and examining their effectiveness in meeting customer expectations in the evolving digital banking environment.

## 2. REVIEW OF LITERATURE

**Priyamvada Chaturvedi and Vishnu Osmond Buckle (2023)<sup>1</sup>** examined customer satisfaction with e-banking services by conducting a study involving 166 respondents. The researchers applied Analysis of Variance (ANOVA) to assess the significant relationships between education, branch banking usage, and gender with respect to customer satisfaction in e-banking services. The findings clearly indicate that satisfaction levels vary across different age groups and occupational categories. Moreover, the study highlights that demographic factors, particularly age and occupation, significantly influence customers' internet banking usage patterns. Overall, the research emphasizes the need for a deeper understanding of customer satisfaction in e-banking services.

**Dr. Sowmya Praveen K and Dr. C.K. Hebbar (2023)<sup>2</sup>** conducted a study to compare customer perceptions of e-banking services. The research sought to understand the functioning of the e-banking system and to examine how customers perceive these services. The study was based on secondary data sources. The findings reveal that most public sector banks provide relatively inadequate services to their customers, whereas private sector banks deliver comparatively better services. However, private sector banks tend to charge higher fees than public sector banks. The study concludes that both public and private sector banks should strive to offer quality services at reasonable costs, recognizing that customers play a central role in the banking market.

**Dr.Dhandayuthapani and Manivannan (2020)<sup>3</sup>** conducted a critical study on the e-banking services provided by public and private sector banks in the Trichy district. For the purpose of analysis, the researchers randomly selected three nationalised banks SBI, PNB, and BOB and three private sector banks ICICI, HDFC, and Axis Bank. Primary data were collected from 430 users of e-banking services through a structured questionnaire. The findings indicate that private sector banks outperform nationalised banks in terms of service quality, transparency, administrative efficiency, and overall customer satisfaction.

## 3. OBJECTIVE OF THE STUDY

The Main objective of the study is to analyse the level of satisfaction towards e-banking services offered by public and private sector banks in Sivagangai District

## 4. RESEARCH METHODOLOGY

### 4.1 Primary data:

The primary data is collected through formal and informal discussion with managers and customers of the banks, structured and unstructured interviews, Telephonic interview, observation; Web based questionnaires, Schedule method. The structured questionnaire has been prepared for collecting opinion from E-banking service users. Questionnaire has been distributed among the account holder of public & private banks and then collected filled -questionnaire from them, for study purpose.

### 4.2 Secondary data:

Secondary data has been collected from annual reports of banks and Reserve Bank of India, internet, books, published articles, E-banking business journals.

**Table 1.1 List of bank customers taken for sample**

S.No	Name of the bank
1	State Bank of India
2	India Bank
3	Indian Overseas Bank
4	Canara Bank
5	Punjab National Bank
6	HDFC Bank
7	ICICI
8	Axis Bank
9	City Union Bank
10	Karur Vysa Bank

The sample size for the study is 385 by using convenience sampling method.

## 5. DATA ANALYSIS AND INTERPRETATION

### 5.1 Name of the bank Maintaining the Account by the Customer:

Customers were maintaining the bank account in both public and private sector banks. Table 1.2 represents the account maintaining by the customer.

**Table 1.2 Account maintaining by the customer**

S.No	Name of the bank	No of Respondents	Percentage
1	State Bank of India	58	15
2	India Bank	42	11
3	Indian Overseas Bank	36	9
4	Canara Bank	42	11
5	Punjab National Bank	33	9
6	HDFC Bank	28	7
7	ICICI	61	16
8	Axis Bank	40	10
9	City Union Bank	20	5
10	Karur Vysa Bank	25	7
<b>Total</b>		<b>385</b>	<b>100</b>

**Source:** Compiled from data.

The data indicates that ICICI Bank has the highest number of respondents, accounting for 61 respondents (16%), suggesting that a larger proportion of the sample customers belong to ICICI Bank. This may indicate stronger customer penetration or higher digital banking usage among ICICI customers in the study area.

The State Bank of India (SBI) follows with 58 respondents (15%), reflecting its dominant presence as a major public sector bank. This shows that SBI customers form a significant portion of the study sample.

Indian Bank and Canara Bank each account for 42 respondents (11%), indicating moderate representation in the study. Similarly, Axis Bank contributes 40 respondents (10%), showing considerable participation among private sector bank customers.

Indian Overseas Bank (9%) and Punjab National Bank (9%) each represent a similar proportion of respondents, demonstrating balanced participation among these public sector banks.

Among the private banks, HDFC Bank (7%) and Karur Vysya Bank (7%) show equal representation, while City Union Bank has the lowest number of respondents with 20 respondents (5%), indicating comparatively lesser representation in the sample.

Overall, the table reveals that both public and private sector banks are fairly represented in the study, with slightly higher participation from major private banks like ICICI and leading public sector banks like SBI. This balanced distribution enhances the reliability of the study in reflecting customer perspectives across different banking sectors.

### 5.2 Customers' Perception Towards Digital Banking Services Offered By Commercial Banks – Mean Score Analysis:

Digital banking has transformed the traditional banking system by offering customers convenient, fast, and technology-driven financial services. Commercial banks now provide various digital platforms such as internet banking, mobile banking, ATM services, UPI, digital wallets, and online fund transfers. Customers' perception towards these services plays a crucial role in determining their adoption, usage, and satisfaction levels. Table 1.2 represents customers' perception towards digital banking services.

**Table 1.3 Customers’ Perception Towards Digital Banking Services Offered By Commercial Banks**

S. No.	Variables	Mean Score	Rank
1	Checking transactions anytime	4.693	3
2	Convenience on payment of bills	4.284	7
3	Safety of transaction	4.156	8
4	Accuracy of account details	3.985	9
5	Easy usage	4.528	4
6	24x7 availability of bank website	4.895	1
7	Access anytime and anywhere	4.486	5
8	Cost effectiveness	3.754	11
9	Sufficient funds transfer	4.781	2
10	Cash withdrawal	3.862	10
11	Cash Depositing Facility	4.422	6
12	Proper working of Passbook printing machine	3.653	12
13	Mini statement & Balance enquiry	3.428	13
14	Proper working of ATMs	3.214	15
15	Safety measures	3.325	14

**Source: Primary Data**

The mean score analysis reveals that customers hold a generally positive perception towards digital banking services offered by commercial banks. Among the various factors, **24x7 availability of the bank website** secured the highest mean score (4.895) and ranked first, indicating that customers highly value uninterrupted access to banking services. This is followed by **sufficient funds transfer** (4.781) and **checking transactions anytime** (4.693), which show that customers strongly appreciate the convenience, efficiency, and flexibility provided by digital platforms. Variables such as **easy usage** (4.528) and **access anytime and anywhere** (4.486) also received high mean scores, highlighting the importance of user-friendly interfaces and accessibility in shaping positive customer perception.

On the other hand, factors like **proper working of ATMs** (3.214), **safety measures** (3.325), and **mini statement & balance enquiry** (3.428) obtained comparatively lower mean scores, indicating moderate dissatisfaction or areas needing improvement. Similarly, **cost effectiveness** and **passbook printing facilities** received lower rankings, suggesting that customers are less satisfied with certain supportive and infrastructure-related services. Overall, the findings indicate that while customers are highly satisfied with the accessibility and operational efficiency of digital banking services, commercial banks need to improve infrastructure reliability, strengthen visible safety measures, and enhance supportive facilities to further improve customer perception and satisfaction.

## 6. CONCLUSIONS

In conclusion, the level of satisfaction towards E-Banking services offered by Public and Private Sector banks shows that customers generally hold a positive opinion about digital banking facilities in both sectors. The increasing adoption of internet banking, mobile banking, online fund transfers, and digital payment systems has significantly enhanced customer convenience and accessibility. However, the comparative analysis indicates that private sector banks tend to achieve relatively higher customer satisfaction levels due to their advanced technological infrastructure, faster transaction processing, user-friendly applications, and prompt customer service. Their continuous innovation and customer-centric digital strategies contribute to a superior digital banking experience.

Public sector banks, while maintaining strong trust, security, and a wide customer base, may experience slightly lower satisfaction levels in areas such as technical efficiency, system responsiveness, and service speed. Nevertheless, their ongoing digital transformation initiatives are steadily improving service quality. Overall, both public and private sector banks play a vital role in promoting E-banking services, but enhancing technological reliability, strengthening cyber security measures, and improving customer support systems are essential to further increase customer satisfaction across both sectors.

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