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**AN ANALYSIS UPON CUSTOMER
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An Analysis upon Customer Convenience Using Alternate Banking: A Case Study of Banking Sectors in India

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Abstract – This study evaluates major factors (i.e. service quality, brand perception and perceived value) affecting on customers' satisfaction in Alternate-banking service settings. This study also evaluates influence of service quality on brand perception, perceived value and satisfaction in e-banking. Required data was collected through customers' survey. For conducting customers' survey likert scale based questionnaire was developed after review of literature and discussions with bank managers as well as experts in customer service and marketing. Collected data was analyzed using principle component (PCA) using SPSS 19.0. A result indicates that, Perceived Value, Brand Perception, Cost Effectiveness, Easy to Use, Convenience, Problem Handling, Security/Assurance and Responsiveness are important factors in customers satisfaction in e-banking it explains 48.30 per cent of variance. Contact Facilities, System Availability, Fulfillment, Efficiency and Compensation are comparatively less important because these dimensions explain 21.70 per cent of variance in customers' satisfaction. Security/Assurance, Responsiveness, Easy to Use, Cost Effectiveness and Compensation are predictors of brand perception in e-banking and Fulfillment, Efficiency, Security/Assurance, Responsiveness, Convenience, Cost Effectiveness, Problem Handling and Compensation are predictors of perceived value in Alternate-banking.

INTRODUCTION

Technology in the banks is presently catching up with a high level of development around the world. The gaps between the Indian banks and their counterparts in the technologically advanced countries are gradually narrowing down. The world has witnessed an information and technological revolution of late. This revolution has touched every aspect of public life including banking (Siam, 2006). Since two decades, due to an increasingly competitive, saturated and dynamic business environment, retail banks in many countries have adopted customer-driven philosophies to address the rapid and changing needs of their customers (Walker et al., 2008). Technological advances have changed the world radically, altering the manner in which individuals conduct their personal and business affairs. Over the past two decades in particular, the banking industry has invested substantial resources in bringing ICT to customers. The banking industry is undergoing through the significant technological changes; it has several impacts on customer satisfaction and loyalty. —It has revolutionized every industry including banking in the world by rendering faster and cost effective delivery of products and services to the customers. According to Chakrabarty, (2007) core banking solution enables

banks to extend the full benefits of ATM, tele-banking, mobile banking, internet banking, card banking and other multiple delivery channels to all customers allowing banks to offer a multitude of customer-centric services on a 24x7 basis from a single location, supporting retail as well as corporate banking activities.

A customer satisfaction is an ambiguous and abstract concept. Actual manifestation of the state of satisfaction will vary from person to person, product to product and service to service. The state of satisfaction depends on a number of factors which consolidate as psychological, economic and physical

factors. The quality of service is one of the major determinants of the customer satisfaction. Many researchers and experts mentioned that, service quality can be enhanced by using advanced information and communication technology (ICT).

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determinants of the customer satisfaction, which can be enhanced by using ICT available to survive. The banks in India are using Information Technology (IT) not only to improve their own internal processes but also to increase facilities and services to their customers.

ALTERNATIVE BANKING CHANNEL

Customers are now looking for multiple delivery channels and flexible as well as convenient working hours neither the clock nor the geographical locations are constraints. Therefore, almost all Indian commercial banks are providing services through the various alternative e-channels, it is called as 'Alternative Banking' (Shrotriya, 2007 and Kumbhar, 2009). There are various means of alternative banking i.e. Core banking Solution (CBS), ATM, POS Terminals, Mobile Banking, Internet Banking, Credit Cards, Debit Cards, EFT, RTGS, MICR clearing etc.

LITERATURE REVIEW

There is hug literature available relation to measuring service quality and customer satisfaction relating to online and offline services. It elaborate that, there is strong relationship between service quality, brand perception and perceived value with customer satisfaction and loyalty.

The relationship between expectation, perceived service quality and customers satisfaction have been investigated in a number of researches (Zeithaml, et al, 1988). They found that, there is very strong relationship between quality of service and customer satisfaction (Parasuraman et al, 1985; 1988;). Increase in service quality of the banks can satisfy and develop attitudinal loyalty which ultimately retains valued customers (Nadiri, et al 2009). The higher level of perceived service quality results in increased customer satisfaction. When perceived service quality is less than expected service quality customer will be dissatisfied (Jain and Gupta, 2004). According to Cronin and Taylor (1992) satisfaction super ordinate to quality-that quality is one of the service dimensions factored in to customer satisfaction judgment.

Apart from brand perception, perceived value also one of most important constructs of the customer satisfaction measurement; it is used to assess the actual benefits of the service. Perceived value is compression between price or charges paid for the services by the customer as sacrifice of the money and utility derived by service perception.

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customer will be dissatisfied (Jain and Gupta, 2004 and Kumbhar 2011). Parasuraman, Zeithaml and Berry (1988) posited that if there is expected quality of service and actual perceived performance is equal or near about equal there is customers can be satisfy, while a negative discrepancy between perceptions and expectations a 'performance-gap' as they call it causes dissatisfaction, a positive discrepancy leads to consumer delight. The relationship between expectation, perceived service quality and customers satisfaction have been investigated in a number of researches (Zeithaml, et al, 1996). An expectation is minimum requirement of service quality by service providers to the meet customers wants and needs. According to Parasuraman et al (1985, 1988) perceived service quality is viewed as the degree and direction of discrepancy between customers' perceptions and desires.

Traditionally the level of customer satisfaction was determined by the quality of services, price and purchasing process. Consequently, the level of e-satisfaction is also determined by the quality of e-services, the price level and e-purchasing process (Ming, 2003). Literature on e-consumers satisfaction realizes that there are different factors of e-customers satisfaction than formal customer, e-satisfaction are modeled as the consequences of attitude toward the e-portals.

OBJECTIVES

Theoretically, alternative banking channels will enhance good performance of banking services and increases the level of customer satisfaction by providing anytime, anywhere and multi way banking services including varieties of services, convenience, speed, efficiency, security and cost effectiveness. However, various annual reports of the Bank Ombudsman Scheme of the RBI indicate that the use of ICT specifically after 2003 has created various problems relating to the banking services. Therefore, this study is carried out to fulfill the following objectives:

- To identify the factors of customers 'satisfaction in alternative banking.
- To make comparative analysis of customer satisfaction in public and private banks.
- To identify the major factors affecting on the customers 'satisfaction in alternative banking.
- To assess the impact of service quality dimensions on customers satisfaction in alternative banking?
- To assess the impact of brand perception on customers satisfaction in alternative banking?

- To assess the impact of perceived value of alternative banking service on customers satisfaction?

METHODOLOGY

Present study is based on primary data sources; collected through survey of 150 respondents. Primary data was collected through survey and short interviews of bank customers (Satara City, Maharashtra State) who are using alternative banking channels. All respondents were selected using convenience sampling method due to lack of proper information and availability of time.

Approximately 25% of commercial banks from public and private sector banks which have a maximum level of branch automation and providing most of the alternative banking services in the Satara City. For the selection of banks we have conducted primary investigation to investigate the availability of the alternative banking services. We found that State Bank of India, Bank of Baroda, Corporation Banks and IDBI Bank Ltd. from public sector and HDFC Bank Ltd. and Axis Bank Ltd. from private sector banks are providing almost of alternative banking services. We have selected approximate 25 to 35 respondents from each selected banks and total 190 predictive samples for in-depth and qualitative investigation. We have selected the sample from employed, professional persons, businessmen, students and retired persons.

Prior conducting final survey and after final survey reliability of constructs was tested using Cronbach's alpha test using SPSS 19.0. Before to the final statistical analysis data screening method was used and 10 incomplete and out of order questionnaires were eliminated and only 190 usable questionnaires were used.

CONCLUSION

The present study evident that, there was significant relationship between age, education and profession while level of customer satisfaction of male and female, as well as respondents of belongs to different income groups is almost same. The correlation test shows that there was a significant relationship between all dimensions and overall customer satisfaction in alternative banking. There was also significant relationship between brand perception and perceived value with overall customer satisfaction in alternative banking.

The current study attempted to examine a contribution of various dimensions of service quality in customers' satisfaction. Therefore, banker and alternative-banking service designers should think over these dimensions and make possible changes in the alternate-banking services according to the customers' expectations and

need of the time. It will be helps to enhance service quality of alternative-banking and increase the level of customers' satisfaction in alternative banking.

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