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EVALUATING CUSTOMER SATISFACTION AND PERCEPTION OF INTERNET BANKING WITH REFERENCE TO THANJAVUR

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ABSTRACT

Countries developed slowly after following the different culture people develop in certain areas from developed nations. But after the introduction and advancement of internet in the world, anything happening in one place is taken immediately and followed by anyone in the world. People come to know everything by internet. The banking is not an exemption, as banking had entered the internet world for financial transactions. As the internet banking users are increasing in numbers, the researcher had an idea of knowing about the perception and satisfaction in using internet banking in Thanjavur. For the study, the researcher had taken 219 valid sample respondents in Thanjavur using internet banking in various banks. The collected data had been analysed by using simple percentage, chi square test and correlation. The result stated that the people in Thanjavur using Internet Banking for checking balance, transaction history, sending money, repayment of loans, apply for loans, paying bills, for standing instructions etc. Though various customers using internet banking for various purposes, customers are highly satisfied with the facilities and services they provide through internet banking.

KEYWORDS: Advancements, Banking, Customers, Internet, Perception, Satisfaction.

INTRODUCTION

The banking sector has experienced a greater shift from the traditional banking system to online banking system, including converting from bricks and mortars to digitalised form of banking, with just online Eco systemic banking. These banks have moved people from visiting branches personally to online banking. Internet banking also known as E-banking or online banking has enabled financial institutions delivering all the basic and advanced banking services such as fund transfer from one account to another, paying bills, paying utilities, checking balances, tracing expenses, monitoring accounts, directly from the customer to the transferee without any delay in payment without visiting branches. Since the metropolitan cities have already in the usage of internet banking by all means, the banks have found their route to semi-urban and agricultural hubs like Thanjavur, the Rice-Bowl of Tamil Nadu, by increasing smartphone usage, widening the broadband connectivity and incentives from government for promoting digital bank transactions. Thanjavur has a demographic features of many agriculturists, business entrepreneurs, students, working and retired people. So, Understanding the customer perception and satisfaction in accepting, using, and retaining internet banking highly depends upon the factors such as user-friendly banking portals with mobile access, speed and quick resolution for failed transactions, safety, confidentiality in accounts, and protection against cyber threats. Evaluating these dimensions provides key insights into how diverse customer groups in Thanjavur interact with digital banking tools.

REVIEW OF LITERATURE

SoundaravalliSV (2026). “A Study on the Level of Customer Satisfaction towards Indian Overseas Bank Ltd. in Thanjavur District.” .This study investigates the many characteristics of service quality and how they affect customer satisfaction at Indian Overseas Bank Ltd. in Thanjavur District. The SERVQUAL framework is used to conduct the analysis, with a focus on reliability, assurance, tangibles, empathy, and responsiveness. The study's findings indicate that the reliability dimension might be significantly improved. The low effectiveness and use of internet banking services is the primary cause of this gap. Many clients have difficulty using online banking capabilities, reducing their faith in service reliability.

JuhiRupal&Ranveer Singh (2023). “Evaluating the Impact of E-Banking on Customer Satisfaction: A Comprehensive Systematic Review.” The study's goal was to give a thorough literature review based on scientific research findings on the impact of e-banking on customer satisfaction. The study examines the impact of e-banking on customer satisfaction. Throughout the literature, many factors/dimensions have been identified as key contributors to the impact and influence of customer satisfaction through e-banking. The current study analyzed 47 papers from various quality journals and marked the findings using the Scopus database from the previous eight years. The literature findings suggested a dual-directional consideration for the impact of e-banking services on customer satisfaction, quality of services, reliability, efficiency, responsiveness, security and privacy, usability, performance, etc., as major dimensions, and also, ease of use and convenience is the impact on customer satisfaction.

Swati Kumari (2026). “Evaluating customer satisfaction in online banking: A study of user experience and service quality.” World Journal of Management,1(1), 1-3. DOI: https://www.worldmanagementjournal.com/assets/archives/2025/vol1issue1/1001.pdf

This study analyzes customer satisfaction in online banking, concentrating on user experience and service quality. The research uses a mixed-method approach, combining surveys and structured interviews with active online banking customers, to identify critical factors such as system usability, accessibility, security, responsiveness, and customisation. The study found that both technological efficiency and perceived trustworthiness have a substantial impact on customer happiness. The study identifies gaps in digital service delivery and offers ways to improve customer engagement, loyalty, and experience. This research offers practical suggestions for banks to optimize digital platforms, enhance service interactions, and build lasting client connections in a digital financial ecosystem.

STATEMENT OF THE PROBLEM

As the demographic factor of Thanjavur district comprise of semi-urban, students, small businessmen, agriculturist, working and retired people, and the introduction of internet banking services by the banks in the semi-urban places like Thanjavor, for making people using internet banking facilities provided by the banks, there is always a fear to use, transfer funds and the fear of cyber threat among the people. The people, except a few group of educated and financial literate people are using the internet banking, it has become a topic of study to know if the people are aware of the internet banking, proper usage, customer perception about internet banking and to know their satisfaction on the usage of internet banking have to be seen in depth. For this purpose the study has been taken by the researcher on online banking services provided by the banks.

CUSTOMER PERCEPTION TO ONLINE BANKING

- Fast and convenient: People need not want to visit bank branches to avail the facilities provided by the bank off line. They are provided under one roof. They can transfer funds, check history and take ststements without waiting in a long queue from the bank as practised in traditional banks.

- No time limit: Online banking services are provided 24/7, round the clock and people can transact any time they want without physically present in the bank except for the time limits provided for NEFT/RTGS in transaction.
- Deposit money hasel-free: People need not carry huge amount to the bank with fear of losing and theft. They can transfer funds online from house or any places they wish.
- Internet availability: Access of internet banking is highly dependent on the availability of internet provided by the service provider. Banking transactions cannot be done without internet connectivity.
- Awareness on the security concerns: People are not much aware of the cyber threats concerning their transactions and it is the bank's responsibility to make the customers aware of the internet banking and the cyber threat involved in it if not used properly. Digital literacy is very essential in online banking.

OBJECTIVES OF THE STUDY

Based on the past literature and the knowledge about the internet banking, following are the objectives of the study.

1. To study the demographic profile of internet banking users of public and private sector banks in Thanjavur.
2. To evaluate customer perceptionregarding the internet banking, including the usage, security, transaction speed, and accessibility.
3. To measure the level of customer satisfactionwith the services rendered by bank online platforms.
4. To find the relationship between the customer perception and customer satisfaction of online banking services.
5. To offer suggestions to banking institutions for improving customer adoption, security, and service quality in Thanjavur.

RESEARCH METHODOLOGY

Study area

The researcher conducted this study at Thanjavur, **Thanjavur,** popularly known as the **"Rice Bowl of Tamil Nadu,"** is a historic city located in the Cauvery Delta region of Tamil Nadu, India. It is renowned for its rich cultural heritage, ancient temples, traditional arts, and significant contribution to South Indian history. The city served as the capital of the powerful Chola dynasty between the 9th and 13th centuries, during which it became a major center of art, architecture, literature, and administration.

Sampling

The total population of Thanjavur is 24.06 lakhs as per 2011 census, the technology development and improvement of people standard of living all are having bank account and using internet banking and online platform to transfer money. The researcher adopted convenient sampling method for data collection, the target of 220 samples, visited both private and government sector banks in Thanjavur and collect data from 220 respondents, out of it 1 questionnaire unfilled all the data, so rejected that 1 questionnaire and taken the valid 219 questionnaire as sample for this study.

Tools and techniques

The researcher used percentage analysis to present the socio economic profile of the respondents, chi square test used to find the factors which influence the level of customer satisfaction and correlation coefficient used to find the relationship between the customer satisfaction and customer perception.

SOCIO ECONOMIC PROLIFE – PERCENTAGE ANALYSIS

Table 1

Age group of the respondents

Sl. No.	Age group	Number of respondents	Percentage
1	Less than 30 years	37	16.89
2	31 to 40 years	51	23.29
3	41 to 50 years	60	27.40
4	Above 50 years	71	32.42
	Total	**219**	**100**

Source : Computed data

The above table shows the age group of the respondents, out of two hundred and nineteen sample respondents, thirty seven (16.89%) respondents are less than 30 years old. Fifty one (23.29%) respondents are between 31 years and 40 years. Sixty (27.40%) respondents are between 41 years and 50 years and remaining seventy one (32.42%) respondents are above 50 years old. Majority (32.42%) of the respondents are above 50 years old.

Table 2

Gender of the respondents

Sl. No.	Gender	Number of respondents	Percentage
1	Male	117	53.42
2	Female	102	46.58
	Total	**219**	**100**

Source : Primary data

The above table shows the gender of the respondents, out of two hundred and nineteen sample respondents, one hundred and seventeen (53.42%) respondents are male and remaining one hundred and two (46.58%) respondents are female. Majority (53.42%) of the respondents are male.

Table 3

Marital status of the respondents

Sl. No.	Marital status	Number of respondents	Percentage
1	Married	136	62.10
2	Single	83	37.90
	Total	**219**	**100**

Source : Primary data

The above table presented the marital status of the respondents, out of two hundred and nineteen sample respondents, one hundred and thirty six (62.10%) respondents are married and remaining eighty three (37.90%) respondents are single. Majority (62.10%) respondents are married.

Table 4

Monthly family Income of the respondents

Sl. No.	Monthly family income	Number of respondents	Percentage
1	Less than Rs. 30,000	49	22.38
2	Rs. 30,001 to Rs. 45,000	73	33.33
3	Rs. 45,001 to 60,000	53	24.20
4	Above Rs. 60,000	44	20.09
	Total	**219**	**100**

Source : Primary data

The above table presented the monthly family income of the respondents, out of two hundred and nineteen sample respondents, forty nine (22.38%) respondents monthly income is less than Rs. 30,000 per month. Seventy three (33.33%) respondents monthly income is from Rs. 30,001 to Rs. 45,000 per month. Fifty three (24.20%) respondents monthly income is from Rs. 45,001 to Rs. 60,000 per month and remaining forty four (20.09%) respondents monthly income is above Rs. 60,000. Majority (33.33%) of the respondents' monthly family income is between Rs. 30,001 and Rs. 45,000.

Table 5

Educational qualification of the respondents

Sl. No.	Educational qualification	Number of respondents	Percentage
1	School level	28	12.79
2	Graduate	113	51.60
3	Professional	36	16.43
4	Others	42	19.18
	Total	**219**	**100**

Source : Primary data

The above table presented the educational qualification of the respondents, out of two hundred and nineteen sample respondents, twenty eight (12.79%) respondents studied school level. One hundred and thirteen (51.60%) respondents are graduates. Thirty six (16.43%) respondents are professionals and remaining forty two (19.18%) respondents are others. Majority (51.60%) of the respondents are graduates.

Table 6

Occupation of the respondents

Sl. No.	Occupation	Number of respondents	Percentage
1	Employer	54	24.66
2	Employee	88	40.18
3	Professionals	41	18.72
4	Home maker and Retired	36	16.44
	Total	**219**	**100**

Source : Primary data

The above table shows the occupation of the respondents, out of two hundred and nineteen sample respondents, fifty four (24.66%) respondents are employers. Eighty eight (40.18%) respondents are employee. Forty one (18.72%) respondents are professionals and remaining thirty six (16.44%) respondents are home makers and retired. Majority (40.18%) of the respondents are employees.

Table 7

Family type of the respondents

Sl. No.	Family type	Number of respondents	Percentage
1	Joined	92	42.01
2	Nuclear	127	57.99
	Total	**219**	**100**

Source : Primary data

The above table presented the family type of the respondents, out of two hundred and nineteen sample respondents, ninety two (42.01%) respondents are joined families and remaining one hundred and twenty seven (57.99%) respondents are nuclear families. Majority (57.99%) of the respondents are nuclear families.

Table 8

Family Size of the respondents

Sl. No.	Family size	Number of respondents	Percentage
1	3 members	41	18.72
2	4 members	98	44.75
3	Above 4 members	80	36.53
	Total	**219**	**100**

Source : Primary data

The above table shows the family size of the respondents, out of two hundred and nineteen sample respondents, forty one (18.72%) respondent's family size is 3. Ninety eight (44.75%) respondent's family size is 4 and remaining eighty (36.53%) respondent's family size is above 4 members. Majority (44.75%) of the respondent's family size is 4 members.

Table9

Number bank accounts operating by the respondents

Sl. No.	Number of bank account	Number of respondents	Percentage
1	1 bank account	57	26.03
2	2 bank accounts	73	33.33
3	3 bank accounts	51	23.29
4	Above 3 accounts	38	17.35
	Total	**219**	**100**

Source : Primary data

The above table shows the number of bank account holding by the respondents, out of two hundred and nineteen sample respondents, fifty seven (26.03%) respondents are having 1 bank account. Seventy three (33.33%) respondents are having 2 bank accounts. Fifty one (23.29%) respondents are having 3 bank accounts and remaining thirty eight (17.35%) respondents are having above 3bank accounts. Majority (33.33%) of the respondents are having 2 bank accounts.

Table 10

Usage of banks Mobile application

Sl. No.	Usage of bank's mobile application	Number of respondents	Percentage
1	Using only bank's mobile application	86	39.27
2	Using bank's mobile application and other platform	133	60.73
	Total	**219**	**100**

Source : Primary data

The above table shows the usages of mobile application by the respondents, out of two hundred and nineteen sample respondents,eighty six (39.27%) respondents are using bank's mobile application and remaining one hundred and thirty three (60.73%) respondents are using bank's mobile application and other online platform which providing by private companies. Majority (60.73%) of the respondents are using both bank's mobile application and other online platforms.

Table 11

Usage of general mobile application

Sl. No.	Usage of general mobile application	Number of respondents	Percentage
1	G – Pay	71	32.43
2	Phone Pay	47	21.46
3	Both G - pay and Phone pay	74	33.79
4	Others	27	12.33
	Total	**219**	**100**

Source : Primary data

The above table presented the usages of general mobile application by the respondents, out of two hundred and nineteen sample respondents, seventy one (32.43%) respondents are using G – pay. Forty seven (21.46%) respondents are using phone pay, seventy four (33.79%) respondents are using both g – pay and phone pay remaining twenty seven (12.33%) respondents are using other platforms. Majority (33.79%) of the respondents are using both g – pay and phone pay.

Customer Satisfaction

To measure the level of customer satisfaction, the researcher taken trust, continued usage, customer loyalty, user convenient, speed of website, security levels and grievance. The five point likert scale used to measure the level of satisfaction, calculated mean and SD to find the 3 level, i.e. low, medium and high. The following table presented the level of customer satisfaction.

Table 12
Level of Customer Satisfaction

Sl. No.	Level of customer satisfaction	Number of respondents	Percentage
1	Low	57	26.03
2	Medium	99	45.21
3	High	63	28.76
	Total	**219**	**100**

Source : Computed data

The above table presented the level of satisfaction of the respondents, out of two hundred and nineteen sample respondents, fifty seven (26.03%) respondents are felt low level of satisfaction. Ninety nine (45.21%) respondents are felt medium level of satisfaction and remaining sixty three (28.76%) respondents are felt high level of customer satisfaction. Majority (45.21%) of the respondents are felt medium level of satisfaction.

Hypothesis

The socio economic variables do not significantly influence the customer satisfaction.

Chi Square test

Chi square test used to find the factors which influence the customer satisfaction of the sample respondents. The following table shows the chi square calculated value, DF, P-value and result to understand. The researcher have taken at 5% significant level.

Table 13
Socio economic variables and level of customer satisfaction

Sl. No.	Variables	Chi square calculated value	DF	P value	Result
1	Age group	12.783	6	0.001	Significant
2	Gender	19.922	2	0.001	Significant
3	Marital status	21.471	2	0.001	Significant
4	Monthly family income	16.903	6	0.001	Significant
5	Educational qualification	18.835	6	0.001	Significant
6	Occupation	19.862	6	0.001	Significant
7	Family type	21.772	2	0.001	Significant
8	Family size	18.378	4	0.001	Significant
9	Number of bank accounts	19.305	6	0.001	Significant
10	Bank's mobile application	22.365	2	0.001	Significant
11	Usage of general mobile application	15.672	6	0.001	Significant

Source: Computed data

Interpretation

The age group (0.001), gender (0.001), marital status (0.001), monthly family income (0.001), educational qualification (0.001), occupation (0.001), family type (0.001), family size (0.001), number of bank accounts (0.001), bank's mobile application (0.001) and usage of general mobile application (0.001) are influence the level of customer satisfaction at 5% significant level. hence, the null hypothesis has been rejected and alternative hypothesis has been accepted at 5% significant level.

Level of perception

The researcher have find the following variables to find the level of perception of online banking, i.e. quality, usefulness, security, convenience and reliability of online banking. Likert five point scale used to find the level of perception, mean and SD to take 3 level of perception.

Table 14
Level of perception

Sl. No.	Level of Perception	Number of respondents	Percentage
1	Low	51	23.29
2	Medium	107	48.86
3	High	61	27.85
	Total	**219**	**100**

Source : Computed data

The above table sows the level of perception of the respondents, out of two hundred and nineteen respondents, fifty one (23.29%) respondents felt low level of perception. One hundred and seven (48.86%) respondents felt medium level of perception and remaining sixty one (27.85%) respondents felt high level of perception. Majority (48.86%) respondents are felt medium level of perception.

Correlation coefficient

Correlation coefficient used to find the relationship between two dimensions, i.e. level of customer satisfaction and level of customer perception.

Table 15
Correlation coefficient : relationship between customer satisfaction and customer perception

	Level of customer satisfaction	**Level of customer perception**
Level of customer satisfaction	1	
Level of customer perception	0.903** 0.001	1

**. Correlation is significant at the 0.01 level (2-tailed)

The above correlation coefficient table shows the relationship between customer satisfaction and customer perception of internet banking in the study area. The result shows that there is positive and significant relationship with customer satisfaction (0.903) and customer perception. Above the perception of internet banking has fulfil the customer's needs, so that the result shows that there is positive relationship.

FINDINGS

- Age group of the respondents divided into four categories, majority (32.42%) of the respondents are above 50 years old.
- Gender of the respondents taken two categories, i.e. male and female, out of them majority (53.42%) of the respondents are male.
- Marital status taken as two categories, i.e. married and single, majority (62.10%) respondents are married.

- Majority (33.33%) of the respondents' monthly family income is between Rs. 30,001 and Rs. 45,000.
- Majority (51.60%) of the respondents are graduates.
- Majority (40.18%) of the respondents are employees.
- Majority (57.99%) of the respondents are nuclear families.
- Majority (44.75%) of the respondent's family size is 4 members.
- Majority (33.33%) of the respondents are having 2 bank accounts.
- Majority (60.73%) of the respondents are using both bank's mobile application and other online platforms.
- Majority (33.79%) of the respondents are using both g – pay and phone pay.
- Majority (45.21%) of the respondents are felt medium level of satisfaction.
- Majority (48.86%) respondents are felt medium level of perception.

SUGGESTIONS

Based on the findings in Thanjavur, the following measures can improve customer adoption and satisfaction on the internet banking services provided by the banks

- Banks should provide awareness program among the customers about the online banking services provided by them in the bank, explain how to open, use, transact, pay bills, close and logout etc.
- Regional language support can also enhance the usage of people who do not have the access of foreign official language.
- People should be made aware of not to reveal the username, password, OTP to any one asking in the name of banks.
- User-friendly internet banking has to be provided for easy and quick transactions.
- Grievances on the part of online banking has to be addressed immediately and steps to be taken to any get back the failed transactions. This would build trust in the minds of the customers.
- Train branch staff to assist customers in setting up internet banking during branch visits, ensuring a smooth transition from physical to digital channels.

CONCLUSION

Internet banking has progressed from an optional convenience to an essential component of India's financial progression. In Thanjavur, though considered as the semi-urban area, customers have a typically positive view of speed and 24/7 convenience, pleasure of usage, digital involvement, easy to use, hassle-free, have moved people from traditional banking to internet banking. The only concern is about the cyber threat if not properly educated. Banks by addressing security issues immediately, simplifying platform works, providing regional language options, might close the trust gap between the banks and the customers. Strengthening all these areas might improve the digital financial inclusion across Thanjavur which has been taken for study.

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