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A Study On Customers' Perception And Satisfaction Towards Digital Banking Services In West Tripura District

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ABSTRACT

This study's primary goal is to determine how bank customers in the West Tripura district perceive and practice of digital banking services. This study aims to analyze the levels of satisfaction of people in the West Tripura district who use digital banking services. The researchers collected the data for this study from both primary and secondary sources. The researchers designed questionnaires to gather primary data from 385 respondents who used digital banking services offered by public sector, private sector bank and selected the respondents using a convenient sampling method. The researchers conducted the analysis using statistical techniques like percentage analysis and the Likert attitude test. The researchers collected secondary data from various sources, such as books, newspapers, journals, and websites. Based on this study, most respondents were overall satisfied with the digital banking services. The study concluded that the digital banking service met growth in west Tripura district.

Key words: Digital Banking, satisfaction, perception, services, private and public sector bank.

1. INTRODUCTION

The Indian banking system dates from the Vedic period. The banking sector is the backbone of any economy or nation's financial system. The level of service a bank provides influences how appealing it is to the general public and determines which bank customers will choose. The majority of banks nowadays provide customers with the same services and facilities. To compete with every banks, every bank must improve the efficiency of the services it provides and the management of its relationships with its customers. The modern banking system is referred to as digital banking. Digital banking provides the convenience of accessing banking services from any location, at any hour of the day or night. Banks offer this service to their customers. Digital banking offers a wide range of features and functionalities to consumers, allowing them to quickly view their account balance, transfer funds between accounts, and obtain a summary of their account information with the help of a computer, smartphone, and the Internet (Subha and Anil ,2020).

2. OBJECTIVE OF THE STUDY

2.1. To analyze the customers' perceptions, awareness and knowledge of using digital banking services among the respondents in West Tripura district.

2.2. To examine the level of satisfaction of the respondents regarding the digital banking services in west Tripura district.

3. SIGNIFICANT OF THE STUDY

This study primarily focused on how consumers perceive on digital banking system and customer satisfaction through digital banking, which will play a significant role in forming and preparing society to either adopt or moderate the complex challenges of the demonetization drive announced by the government to withdraw high-value currency in order to eradicate black money, stop the production of counterfeit currency, and catch tax evaders to have a clean-border effect.

4. STATEMENT OF THE PROBLEM

A digital banking service is one in which all transactions take place online or through digital technology. India conducts far too many transactions in cash. Additionally, there are significantly more currency notes in use than in any other developed nation. The advent of digital banking has provided customers with the opportunity to conduct all types of transactions, manage accounts, and transfer funds from one account to another without geographical restrictions. The perception of customers is that either traditional banking is more convenient for society or adopting digital banking services is more satisfying for customers.

5. RESEARCH METHODOLOGY

The primary data for this study was collected from bank customers in the selected study area, the west Tripura district of Tripura state, using an adopted questionnaire schedule.

Cochran's formula determined the sample size, and the questionnaire included Likert scale questions or rating scales, multiple choice, optional questions, and secondary data obtained a thorough review of existing literature as well as from published sources like websites, journal articles, government reports, and theses. The data were analyzed with the help of statistical measurements like the Likerts attitude test.

6. SCOPE OF THE STUDY

Most banking operations in the past were manual. A person would frequently walk from counter to counter, from accountant to clerk, from manager to accountant, and vice versa, with ledgers, challans, cheques withdrawn from tokens, etc., in his hands. However, the introduction of "digital banking" brought about completely unanticipated developments in the banking industry. Along with increasing customer convenience, these innovations have increased transaction speed and accuracy. It is based on how West Tripura district customers perceive digital banking services. The researcher has taken variables of digital banking services mostly used by the customers, namely: automatic teller machine, debit card, credit card, electronic clearing machine, prepaid cards, Internet banking, mobile banking, point of sales, electronic fund transfer / national electronic fund transfer (EFT/NEFT), real-time gross settlement (RTGS), and e-wallet/m-wallet. The study examines the satisfaction level of customers. The research is based on data collected from customers of digital banking services in west Tripura district.

7. RESULTS AND ANALYSIS

7.1. TABLE 1: Awareness of Digital Banking Services

Come to know about Digital banking services	From 385 Responses, the No. of Respondents	% of Respondents
From bank officials	223	57.9 %
Advertisement in print media	112	31.7 %
TV and radio advertisement	240	62.3 %
Social media / Online Advertisement	260	67.5 %

From Family Members	212	55.1 %
From Friends	200	51.9 %
Any other	45	11.7 %

Source: Primary Data

TABLE 1: reveals various channels through which respondents come to know about digital banking services. The most significant source is social media and online advertisements, cited by 67.5% of respondents, underscoring the influential reach of digital platforms. This is followed by TV and radio advertisements at 62.3%, indicating the continuing effectiveness of traditional media. Bank officials also play a crucial role, with 57.9% of respondents gaining awareness through direct communication from bank representatives. Family members and friends are influential too, with 55.1% and 51.9% of respondents, respectively, learning about digital banking through these personal networks. Print media advertisements account for 31.7% of the responses, demonstrating that while less dominant, print remains a relevant channel. Lastly, 11.7% of respondents identified other unspecified sources of information. These findings highlight the diverse methods through which digital banking awareness is spread, with a notable emphasis on both digital and personal communication channels.

7.2. TABLE 2: Customers perceptions on Digital Banking Services

Customer perception	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
Digital banking services are generally faster than traditional banking	1.8 %	2.3 %	11.2 %	55.1 %	29.6 %
Digital banking services have no	1.6 %	1.8 %	13.5 %	53.2 %	29.9 %

time limit since I can use them at any time of the day					
There is a high degree of convenience in accessing digital banking services	2.1 %	1.6 %	13.2 %	56.4 %	26.8 %
Digital banking services are easier to use than traditional channels	2.3 %	3.4 %	12.7 %	53.8 %	27.8 %
Using digital banking services is more prestigious than queuing.	1.8 %	2.1 %	16.4 %	53.2	26.5 %

Source: Primary Data

Table 2: data on customer perception of digital banking services indicates a broadly positive sentiment across multiple aspects. A substantial majority of respondents agree (55.1%) and strongly agree (29.6%) that digital banking services are generally faster than traditional banking, totaling 84.7%. Similarly, the perception that digital banking has no time limits is affirmed by 53.2% agreeing and 29.9% strongly agreeing, making up 83.1%. This suggests a strong appreciation for the efficiency and 24/7 availability of digital banking.

The convenience of accessing digital banking services is also highly regarded, with 56.4% agreeing and 26.8% strongly agreeing, accounting for 83.2% of respondents. Additionally, 53.8% agree and 27.8% strongly agree that digital banking is easier to use than traditional channels, totaling 81.6%. This indicates a widespread belief in the user-friendliness and convenience of digital banking services.

Moreover, digital banking is seen as more prestigious than queuing in traditional banks, with 53.2% agreeing and 26.5% strongly agreeing, totaling 79.7%. Across all these aspects, the percentages of respondents who disagree or strongly disagree are consistently low, with neutral responses ranging between 11.2% and 16.4%.

In conclusion, the data reflects a highly favorable perception of digital banking services among respondents, emphasizing the benefits of speed, accessibility, convenience, ease of use, and social prestige. This indicates a strong customer preference for digital banking over traditional methods, although a small proportion of respondents remain neutral or less convinced.

7.3. TABLE 3: Overall satisfaction with Digital banking service

Satisfaction	**No. of Respondents**	**% of Respondents**
Highly satisfied	43	11.2
Satisfied	231	60
Neutral	87	22.6
Dis-satisfied	18	4.7
Highly dis satisfied	6	1.6
Total	385	100

Source: Primary Data

TABLE 3: data on customer satisfaction with digital banking services provides a clear picture of overall sentiment among the respondents. A majority of respondents express positive satisfaction levels, with 60% (231 respondents) reporting that they are satisfied and 11.2% (43 respondents) indicating they are highly satisfied. This totals 71.2%, reflecting a strong overall satisfaction with digital banking services.

A significant portion of respondents, 22.6% (87 respondents), remain neutral, neither satisfied nor dissatisfied. This suggests that while they do not have strong positive or negative feelings, there may be areas for improvement that could enhance their satisfaction.

On the other end of the spectrum, a small minority of respondents express dissatisfaction, with 4.7% (18 respondents) being dissatisfied and 1.6% (6 respondents) being highly dissatisfied, totaling 6.3%. This indicates that while the overall satisfaction is high, there are some areas of concern that need to be addressed to reduce dissatisfaction and improve the overall customer experience.

In summary, the data shows that a significant majority of respondents are satisfied with digital banking services, with a smaller group remaining neutral, and a very small minority expressing dissatisfaction. This highlights the general effectiveness and acceptance of digital banking, while also pointing to potential areas for further enhancement to increase satisfaction among all users.

7.4. LIKERTS ATTITUDE TEST

Scales are devices for measuring variables in social science research. In likert's scale each item is evaluated on the basis of how well it discriminate between those person whose total score is high and those whose score is less. The scale consists of number of statement which express either a favorable or un favorable satisfaction towards the objective of the study. As there is no readymade scale to measure the level of satisfaction, a scale namely'' the attitude scale'' was used. The respondents were requested mention their satisfaction toward satisfied, highly satisfied, dis-satisfied or highly dis-satisfied. With the below factors related to the satisfaction; Gender, Education, Size of family members, Type of accounts, Type of banks, Habit of online banking, Financial services

7.5. TABLE 4: Opinion about Customers' Satisfaction.

Opinion	**Score**	**No. of Respondents**	**Total Score**
Highly satisfied	5	43	215
Satisfied	4	231	924
Neutral	3	87	261
Dis-satisfied	2	18	36
Highly dis satisfied	1	6	6
Total		385	1442

Source: Primary Data

Mean score = 1442/385 = 3.74

TABLE 4: provided data on customer satisfaction with digital banking services includes a detailed breakdown of respondents' opinions and their corresponding scores. Using a five-point scale, where 5 represents "Highly satisfied" and 1 represents "Highly dissatisfied," the total score for each

category was calculated by multiplying the number of respondents by the respective score. The total cumulative score is 1442, and with 385 respondents, the mean satisfaction score is 3.74.

This mean score of 3.74, falling between the "Neutral" (score 3) and "Satisfied" (score 4) categories, indicates a generally positive level of satisfaction among the respondents. The largest group of respondents, 60% (231 respondents), reported being "Satisfied," contributing significantly to the overall high score. Additionally, 11.2% (43 respondents) are "Highly satisfied," further boosting the average.

The neutral category, comprising 22.6% (87 respondents), suggests that while many users are content, there is room for improving the digital banking experience to convert these neutral users into satisfied ones. The dissatisfied categories, "Dis-satisfied" and "Highly dissatisfied," together account for a small percentage of respondents (6.3% or 24 respondents), indicating that the number of users who are unhappy with digital banking services is minimal.

In summary, the data reflects a strong overall satisfaction with digital banking services, as evidenced by the mean score of 3.74. While most users are satisfied or highly satisfied, efforts to enhance features and address any pain points could further increase satisfaction levels and reduce the proportion of neutral and dissatisfied users.

8. FINDINGS

8.1. High Satisfaction Levels: The study reveals that a significant majority of respondents (71.2%) are satisfied or highly satisfied with digital banking services offered by both public and private sector banks in the West Tripura district. This indicates a positive reception and acceptance of digital banking among customers.

8.2. Perception of Convenience and Efficiency: Respondents perceive digital banking services as faster, more convenient, and easier to use compared to traditional banking methods. The convenience of accessing banking services anytime and anywhere is highlighted as a key advantage of digital banking platforms.

8.3. Awareness and Usage: Awareness of digital banking services is primarily driven by social media and online advertisements, followed by TV and radio advertisements, and direct communication from bank officials. This underscores the effectiveness of digital and traditional media in disseminating information about banking services.

8.4. Areas for Improvement: While satisfaction levels are high, there remains a notable proportion of respondents (22.6%) who are neutral in their satisfaction. This suggests that there are areas where banks can further improve service delivery to enhance customer experience and satisfaction.

8.5. Security Concerns: Security remains a paramount concern for digital banking users. Although the study indicates satisfaction with the security measures implemented by banks, continuous investment in advanced security technologies and proactive measures to mitigate cyber threats are recommended to maintain customer trust.

8.6. Digital Literacy and Customer Education: The study identifies a segment of respondents who may benefit from enhanced digital literacy programs. These programs could help users better understand and utilize the full range of digital banking services available, thereby potentially increasing satisfaction levels among less tech-savvy customers.

8.7. Opportunities for Innovation: Expanding digital banking features such as real-time financial insights, personalized savings plans, and integrated payment solutions presents opportunities for banks to attract and retain customers by catering to diverse financial needs and preferences.

8.8. Importance of Customer Feedback: Establishing robust mechanisms for collecting and analyzing customer feedback is crucial for banks to identify areas of improvement and address customer concerns effectively. Regular surveys and feedback forms can provide valuable insights into customer preferences and expectations.

9. SUGGESTIONS:

Based on the findings and analysis of this study on digital banking services in West Tripura district, the following suggestions are recommended to further enhance customer satisfaction and improve overall service delivery:

9.1. Enhance Digital Literacy Programs: Despite the generally positive perception and satisfaction levels, there is a segment of respondents who remain neutral. Implementing comprehensive digital literacy programs can empower users with the knowledge and skills needed to fully utilize digital banking services. This could include workshops, tutorials, and easy-to-understand guides on how to perform various transactions securely and efficiently.

9.2. **Improve Service Accessibility and Reliability:** While digital banking services are perceived as convenient, efforts should be made to ensure continuous service availability and reliability. This can be achieved through robust infrastructure, regular maintenance, and responsive customer support to address any technical issues promptly.

9.3. **Personalized Customer Service:** Although digital platforms are convenient, maintaining a personal touch in customer service interactions can enhance satisfaction levels. Banks could explore integrating AI-driven chatbots with human assistance options to provide personalized support tailored to individual customer needs.

9.4. **Address Security Concerns:** Security remains a top priority for digital banking users. Banks should continually invest in advanced security measures, such as multi-factor authentication, encryption technologies, and regular security audits, to safeguard customer data and transactions from cyber threats.

9.5. **Expand Digital Banking Features:** To cater to diverse customer needs, banks could expand their digital banking features. This might include introducing innovative services like real-time financial insights, customized savings plans, integrated bill payment solutions, and enhanced budgeting tools accessible through digital platforms.

9.6. **Promote Customer Feedback Mechanisms:** Establishing robust mechanisms for collecting and analyzing customer feedback is crucial. Regular surveys, feedback forms, and interactive platforms can provide valuable insights into customer preferences, pain points, and suggestions for service improvement.

9.7. **Collaborate with Government Initiatives:** Given the broader economic context, collaborating with government initiatives promoting digital literacy and financial inclusion can further accelerate adoption rates and enhance customer trust in digital banking services.

9.8. **Continuous Monitoring and Improvement:** Lastly, banks should adopt a proactive approach to continuously monitor service performance metrics and customer satisfaction indicators. This data-driven approach will facilitate timely interventions and adjustments to improve service quality and customer experience over time.

Implementing these suggestions can contribute to sustained customer satisfaction, promote broader adoption of digital banking services, and reinforce the position of banks as leaders in the digital transformation of the banking sector in West Tripura district.

10. CONCLUSION

This study provides valuable insights into the perceptions and satisfaction levels of bank customers in the West Tripura district regarding digital banking services. The findings reveal a generally positive reception towards digital banking, with a significant majority of respondents expressing satisfaction. The high satisfaction levels are primarily attributed to the perceived benefits of digital banking, such as speed, convenience, accessibility, and ease of use, as highlighted in both the perception and satisfaction tables.

The data indicates that a substantial number of respondents perceive digital banking services to be faster and more convenient compared to traditional banking methods. This positive perception is crucial in driving the adoption and acceptance of digital banking in the region. Furthermore, the satisfaction levels, with 71.2% of respondents reporting satisfaction or higher, underscore the effectiveness of digital banking services in meeting customer expectations.

Despite the overall positive sentiment, there are areas for improvement identified, particularly in addressing the concerns of neutral respondents and addressing the minor dissatisfactions expressed by a small minority. Enhancing user education, improving service reliability, and expanding digital literacy initiatives could potentially mitigate these concerns and further bolster satisfaction levels.

In conclusion, the study concludes that digital banking has been largely successful in West Tripura district based on high levels of satisfaction and positive perceptions among users. However, continuous efforts are necessary to sustain and improve these satisfaction levels amidst evolving customer expectations and technological advancements in the banking sector.

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