

# FACTORS INFLUENCING THE CUSTOMER EXPERIENCE IN DIGITAL BANKING AND FINANCIAL PERFORMANCE

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## *Abstract*

*Banking sector plays a crucial role in financial system of economy. It represents the center of economic activity by accessing , meeting and maintaining the requirement of funds. Information technology was introduced in late 80's in indian banking sector which further paved way for digitalisation in banking sector. This has given benefit to both bank and customers. The study aims in the finding out the factors that are influencing the experience of customers through digitisation and the performance of bank in chennai. The factors such as service , functional quality , perceived value , trust , service speed, satisfaction and loyalty are taken into considerations.*

*Keywords : Digital Banking , Financial Performance , Trust , Loyalty , Satisfaction.*

## **INTRODUCTION**

(Gaurav Sharma 2017) sees digital banking through dual aspect bank to customer and vice-versa. The banks relay more on the transformations on digital efficiency through technology, cost savings , competetiveness and its survival. On the other end , customers have more choices to switch between their preferred services easily that avoids physical visit to branches and its cost and time effective. (villaseca , David 2019) forsees the transformation of digital banking to intelligence banking through application of artificial intellienge and cloud technology which boost sales digitally , optimises the cost and empowers agility.

A study states that customer satisfaction is one of the important concerns in banking industry to the heavy competition. The banks are striving hard for giving quality of service to new as well as existing customers ( Aboramapah Amoah-Mensah , 2010). The degree of customer satisfaction of bank lies on the competitive power and survival of bank by therefore for paying attention towards their customers to satisfy them ( Titko and Lace (2010)., Kattack and Rehman (2010)

Don bergal , 2016 says that digital banking means moving to online transactions that was previously made on a traditional basis. In simple words , digitalisation of traditional banking system were customers are available inside the bank physically.

In 2016 , Y gen has succeeded in shifting the banking prefernces digitally by moving all services online and in 2009 , US hits 54 million users in online banking.

Stotica et al, 2015 and majit kaur 2018 says there is a intensive growth in online banking services due to the cost reduction and enhancement in profits which drives to customers convenience in banking transactions through rapid speed and ease .

Digitalization in banking sector enhances customer experience rapidly by ease transaction of customers towards banking business by effective use of technology says yadav 2017.

## OBJECTIVES OF THE STUDY

### Primary objectives

- To understand the concept of digital banking .
- To analyze the factors influencing the customers experience towards digital banking.
- To know the level of satisfaction of customers on using digital banking.

## HYPOTHESIS TESTING

**H<sub>0</sub>** : Factors and level of satisfaction influence the customer experience towards Digital Banking

**H<sub>1</sub>** : Factors and level of satisfaction doesnt influence the customers experience towards Digital Banking.

## SAMPLE OF THE STUDY

Samples were selected from sampling unit. The method used is convenient sampling technique. Total sample size is 75.

## METHODOLOGY OF THE STUDY

### Questionnaire

A structured questionnaire which consist of only close ended questions, was used as a tool for collecting data. The questionnaire consist of questions based on digital banking uses and level of satisfaction

Primary data – Data obtained from the questionnaires which were given to respondents in person from the primary source.

Secondary data – Data obtained from books , internet ,journals.

## LIMITATION OF THE STUDY

1. The research was carried out in short period , where in researcher could not widen the study.
2. This research was carried out only in and around city of Chennai. So the findings will not be universally relevant.
3. Total number of respondents are 75due to time constraints.