

Digital Service Quality: A Study with Reference to Select Private Banks

Asha K.C., *Dr. Aluregowda & **Mr. Ranjansathya Das S***

*Research Scholar, Department of Management Studies and Research Centre,
PES College of Engineering, Mandya, Karnataka, India.

**Associate Professor, Department of Management Studies and Research Centre,
PES College of Engineering, Mandya, Karnataka, India.

*** Guest Faculty, Department of Commerce, Govt. First Grade College for Women,
Maddur, Mandya, Karnataka, India.

Abstract

Purpose

The main objective of this paper is to know the digital service quality of select private banks at Mandya district during the covid-19 pandemic situation necessary to receive the banking services during the lockdown situation.

Design/methodology/approach

The paper is based on the primary data was collected by survey method. Questionnaires were designed and collected from ICICI Bank and HDFC Bank was approached to fill up these questionnaires. The filled up information was later analyzed to obtain the results of the study.

Findings

The present study reveals that customers were expecting more on trust of the banking services and experiences during the digital services used in the convenient time plays important role in the E- service quality. Where has banks were more emphasize on security, website design, responsiveness, empathy, reliability, fulfillment, empathy , personalization and information are the major factors for banking service prospective to measure the effectiveness of digital service quality through E-service quality dimensions.

Research limitations/implications

For this research Google form questionnaire has been used because for the convince to fill the questionnaire and customers were selected from the select banks and few customers were visiting to banks filled via Google forms.

Originality/value

The study analysis indicates that digital service quality of the banks was the two way process. The effectiveness of designing the E-quality of the services based on the customers' expectations and the involvement of the customers to experience the internet bases digital services with safety and security of banking services plays a crucial role in digital banking services.

I. INTRODUCTION:

Service quality is important mainly in the service business enterprises. The study understands the various customer perceptions about the service quality factors like Assurance, Empathy, Responsiveness, Reliability and Tangibility in the banking industry and the satisfaction level towards the banks. Service quality is an assessment of how well a delivered service conforms to the client's expectations. Service business operators often assess the service quality provided to their customers in order to improve their service, to quickly identify problems, and to better assess customers satisfaction.

Service quality is the core concept for ensuring a successful supply of services in general. This holds in particular for the private banking sector, which is a clean service industry in which the service is performed almost completely in the attendance of the customer. Private banking

involves insubstantial goods requiring the participation of the customer in the process. In such a setting, bank services aim to optimize the service quality in order to attain a superior outcome level. The outcome of service quality, what firms expand by delivering a high quality service, is the return on quality concept, and service profit chain.

ICICI Bank offering a wide range of financial services to its customers through its delivery channels. Customer satisfaction is taken as a yardstick for measuring the quality of service and providing excellent customer service decides the effectiveness of service delivery process. HDFC Bank provides a number of products and services including wholesale banking, retail banking, treasury, auto loans, two-wheeler loans, and personal loans, loans against property, consumer durable loan, lifestyle loan and credit cards. Along with this various digital products are Payzapp and SmartBUY. HDFC bank's business philosophy is based on our four core values - Operational Excellence, Product Leadership and People.

II. OBJECTIVES OF THE STUDY

- To measure the effectiveness of the E- service quality of the private banks.
- To understand the customer preference and expectations towards digital banking services.

III. REVIEW OF LITERATURE

Arun kumar.G, Dr.S.J.Manjunath (2012) author have examined the service quality in the banking and identifies dimensions which contribute to customer satisfaction and five dimensions are used namely responsiveness, reliability, assurance, empathy and tangibles and to study about the satisfaction of the customers of ICICI bank towards service quality.

Abednego Feehi Okoe, Judith Serwa Adjei & Aihie Osarenkhoe (2013) authors have studied the role that service quality plays in the banking sector and its impact on service delivery and show that gaps exist between customers' expectations and perceptions of service delivery in all the banks even though the banks performed better on the tangibility dimension. And gap exists between customer expectation and perception of service delivery, service quality is perceived as low and customer dissatisfaction results. However, dissatisfied customers would not necessarily defect.

Vadivelu Tharanikaran, Sutha Sritharan1& Vadivelu Thusyanthy (2017) have explained the degree of service quality and customer satisfaction in the electronic banking and assist the bank managers, academics and practitioners to develop and implement service quality and customer satisfaction related strategies in the electronic banking and makes a contribution to the existing literature by comprehensively examining the notions of service quality and customer satisfaction in the electronic banking.

Ms.P.Bhavani Pappammal1, Mr.A.P.Hariharan Mrs.M.Meera, Mr. G.Gunaseelan (2017) have studied the difference in service quality offered by ICICI Bank and State Bank of India and analyse the service gap between the customer perceived and expected service offered by the comparative banks, identify the relationship between demographical factors and opinion towards the expected service quality of the customers and suggest SBI and ICICI banks for improving the performance and to retain their customers.

Dr. E. Hari Prasad and Prof. G. V. Bhavani Prasad (2017) have studied that service quality is the excellent strategy and plays a key role in service sector in general and banking sector in particular to satisfy the customers' needs and retain them and assessing the service quality that delivered by the banks in rural areas, using SERVQUAL model.

D.Srinivas and N. Hanumantha Rao (2018) have examined the service quality process in public sector banks and the customers' satisfaction and the advancement of knowledge is the investigation of the service quality process from a comparative perspective of different commercial banks customer perceptions and expectations then the relationship between customer satisfaction and service quality, measuring service quality using modified SERVQUAL model, research gap, and conceptual framework.

Jyotsna Sharma et al. (2020) authors have measure the impact of E-banking service quality on customer satisfaction. The banks and service providers to offer quality services speedily and efficiently to meet the customer's expectation and examines the relative strength of each dimension affecting customer satisfaction. A customer tries to match his expectation from the services with already existing attributes in his mind. If the service quality is better than expected the customer is fully satisfied.

IV. Research Methodology

Data was collected from Google forms in which structured questionnaire was used and the collected was analyzed used simple statistical techniques. There are ten dimensions were used to measure E-service quality: Website design, reliability, trust, experience, fulfilment, security, responsiveness, personalization, information and empathy.

Sample size

Sample size was restricted to 296 respondents, since it was not possible to cover the whole universe in the available time period.

Sampling method

For this research Non- Probability Convenience Sampling has been used

V. DATA ANALYSIS AND INTERPRETATION

Table: 1 Do you use Net Banking Services

Particulars	No of respondents	Percentage
Daily	194	65.55
Weekly	56	18.92
Monthly	32	10.81
Once in a month	14	4.72
Total	296	100

(Source: primary data)

Table 1 showing usage of net banking Services with ICICI, as per the data, 65.55% customer are used net banking service in daily, 18.92 % customers used weekly basis, 10.92 % customer used monthly basis and 4.72% customer used once in a month. These figures showing people are mostly using net banking services in daily.

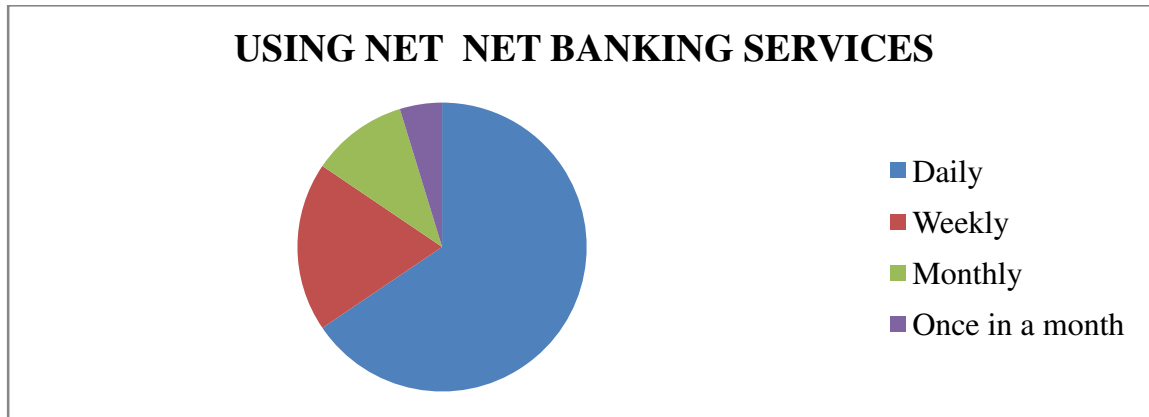


Figure 1 Showing graphical representation of usage of net banking Services with ICICI Mandya city. More customers are used net banking services in daily in ICICI Mandya city. 32 respondents are used monthly and 14 respondents are used once in a month out of 296 samples.

Table: 2 online features do you use regularly

Particulars	No of respondents	Percentage
Transfer Funds to Other Accounts	152	51.35
Make Bill Payments	88	29.72
Make Credit Card Payments	42	14.18
Others	14	4.73
Total	296	100

(Source: primary data)

Table 2 showing online feature using use regularly with ICICI, as per the data, 51.35% customer are used Transfer Funds to Other Accounts, 29.72 % customers used Make Bill Payments, 14.18 % customer used to Make Credit Card Payments and 4.73% customer used Others. These figures showing people are mostly using online features regularly.

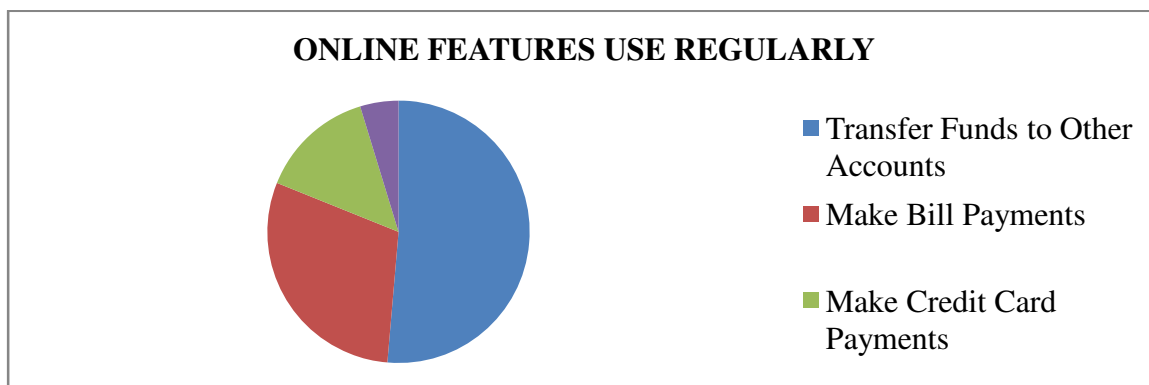


Figure 2 Showing graphical representation of online feature using regularly with ICICI Mandya city. More customers are used Transfer Funds to Other Accounts in ICICI Mandya city. 42

respondents are used Make Credit Card Payments and 14 respondents are used others out of 296 samples.

Table: 3 Rate your overall experience with the Net Banking facility

Particulars	No of respondents	Percentage
Excellent	124	41.89
Very Good	106	35.81
Good	46	15.54
Poor	20	6.76
Total	296	100

(Source: primary data)

Table 3 showing customers' overall experience with the Net Banking facility with HDFC bank in mandya city , as per data 41.89% respondents have excellent experience with the Net Banking facility, 35.81% very good, 15.54% good and 6.76 % poor. These figures showing people are experience with the Net Banking facility.

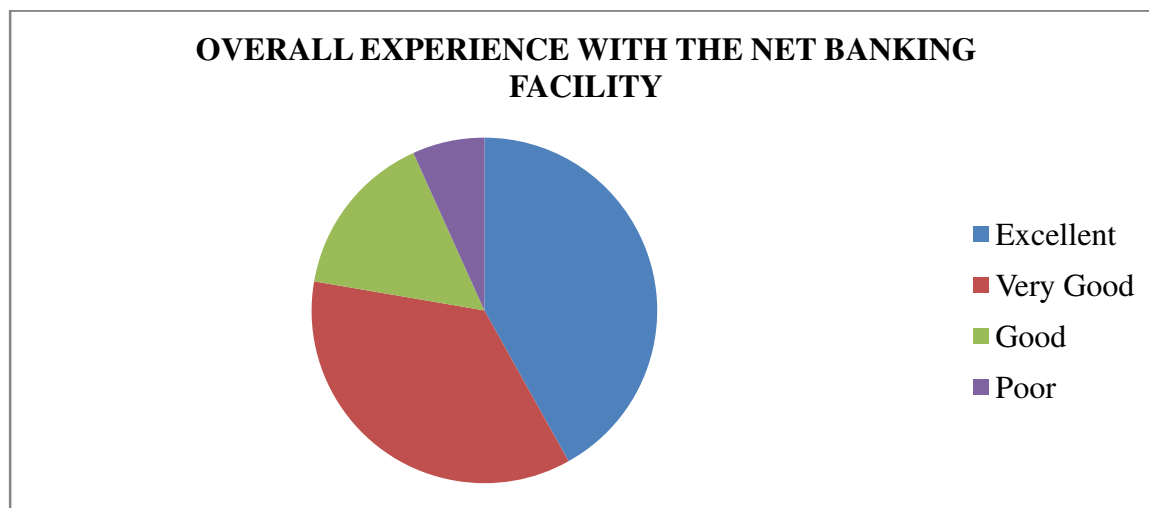


Figure 3 Showing graphical representation of overall experience with the Net Banking facility with HDFC bank Mandya city. More customers have excellent experience with HDFC bank Mandya city. 46 respondents are good and 20 respondents are poor have experience out of 296 samples.

Table: 4 Responsiveness of Banking services

Particulars	No of respondents	Percentage
Quickness in locating and eliminating errors	98	33.10
Lesser waiting time for services	86	29.05
customer support	78	26.36
Quick response for customer queries	34	11.49
Total	296	100

(Source: primary data)

Table 4 showing responsiveness of banking services with HDFC bank in mandya city , as per data 33.10% respondents are quickness in locating and eliminating errors, 29.05% Lesser waiting time for services, 26.36% customer support and 11.49 % Quick response for customer queries. These figures showing people are responsiveness of banking services.

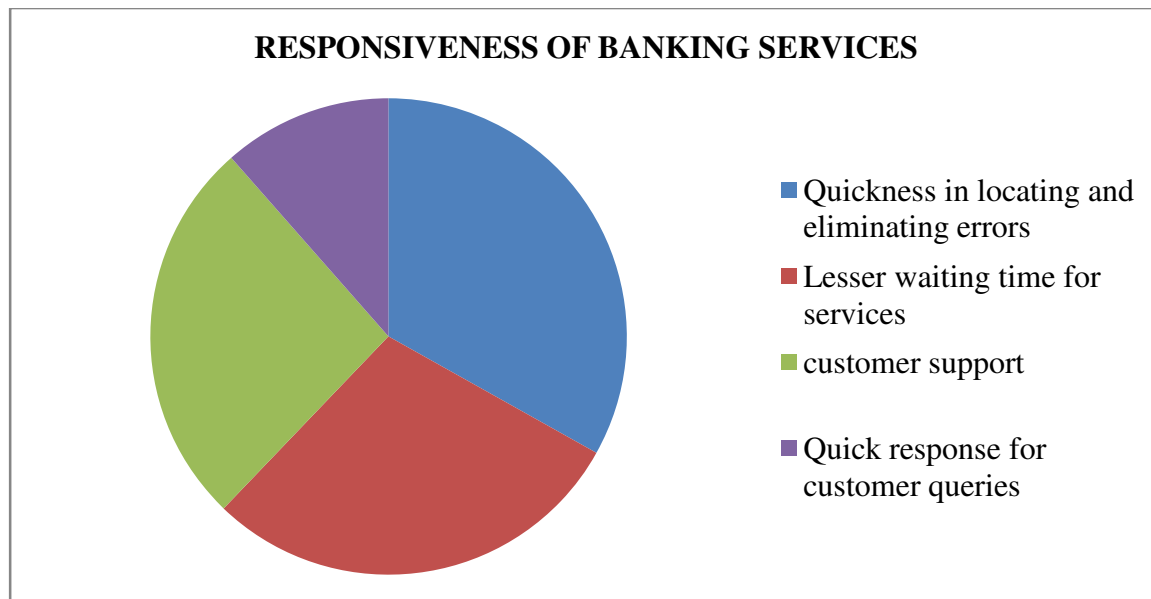


Figure 4 Showing graphical representation of responsiveness of banking services with HDFC bank in mandya city. More customers respond quickness in locating and eliminating errors with HDFC bank Mandya city. 78 respondents are customer support and 34 respondents are poor quick response for customer queries out of 296 samples.

Table: 5 Assurance in banking services

Particulars	No of respondents	Percentage
Kind and politeness of the employees	124	41.89
Feeling secured	86	29.06
Safety assurance	44	14.87
Knowledge of the employees	42	14.18
Total	296	100

(Source: primary data)

Table 5 showing assurance in banking services with HDFC bank in mandya city, as per data 41.89% respondents' kind and politeness of the employees, 29.05% Feeling secured, 14.87% Safety assurance and 14.18 % Knowledge of the employees. These figures showing people are Assurance in banking services

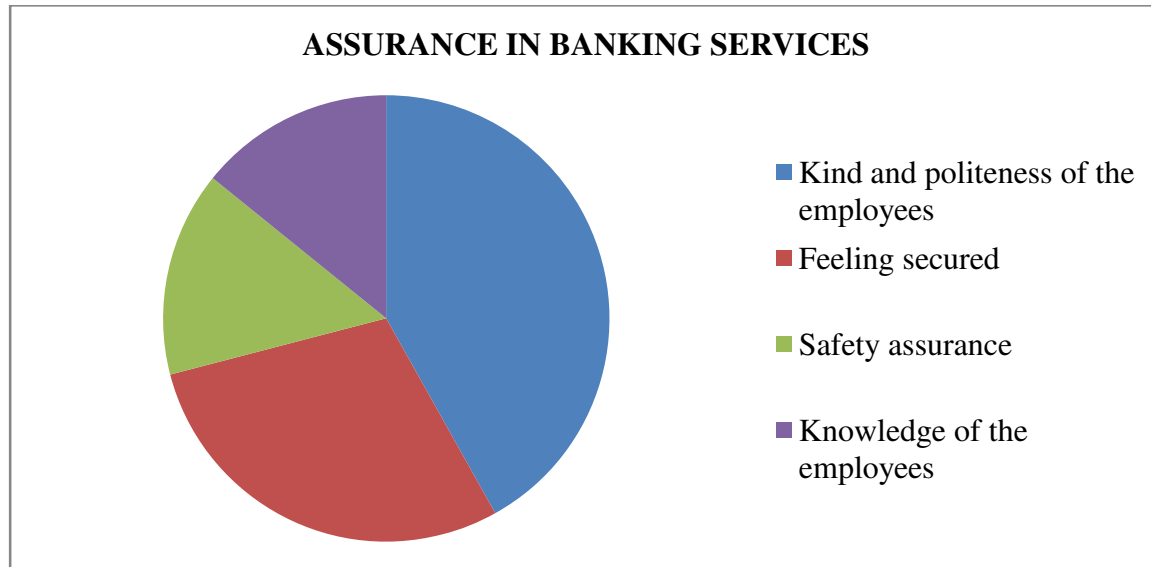


Figure 5 Showing graphical representation of assurance in banking services HDFC bank in mandya city. More customers respond Kind and politeness of the employees with HDFC bank Mandya city. 44 respondents are Safety assurance and 42 respondents are Knowledge of the employees out of 296 samples.

Table: 6 Reliability of banking services

Particulars	No of respondents	Percentage
Providing error free service	144	48.64
Consistency in performance	66	22.29
Providing quick and prompt service	54	18.25
Online reliability	32	10.82
Total	296	100

(Source: primary data)

Table 6 showing reliability of banking services with ICICI bank in mandya city, as per data 48.64% respondents providing error free service, 22.29% consistency in performance, 18.25% providing quick and prompt service and 10.82 % online reliability. These figures showing people are Reliability of banking services.

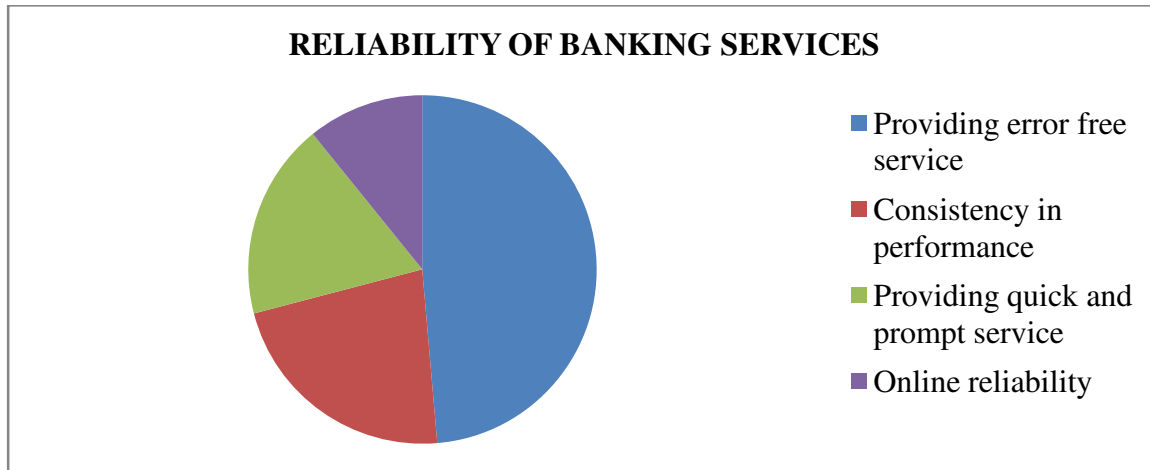


Figure 6 Showing graphical representation of reliability of banking services with ICICI bank in mandya city. More customers respond providing error free service with ICICI bank Mandya city. 54 respondents are providing quick and prompt service and 32 respondents are online reliability out of 296 samples.

Table: 7 Information provided on website

Particulars	No of respondents	Percentage
Highly satisfied	148	50
Satisfied	92	31.08
Neutral	36	12.16
Not satisfied	20	6.76
Total	296	100

(Source: primary data)

Table 7 showing Information provided on website with ICICI bank in mandya city, as per data 50% respondents are highly satisfied, 31.08% satisfied, 12.16% neutral and 6.76 % not satisfied. These figures showing providing information on website.

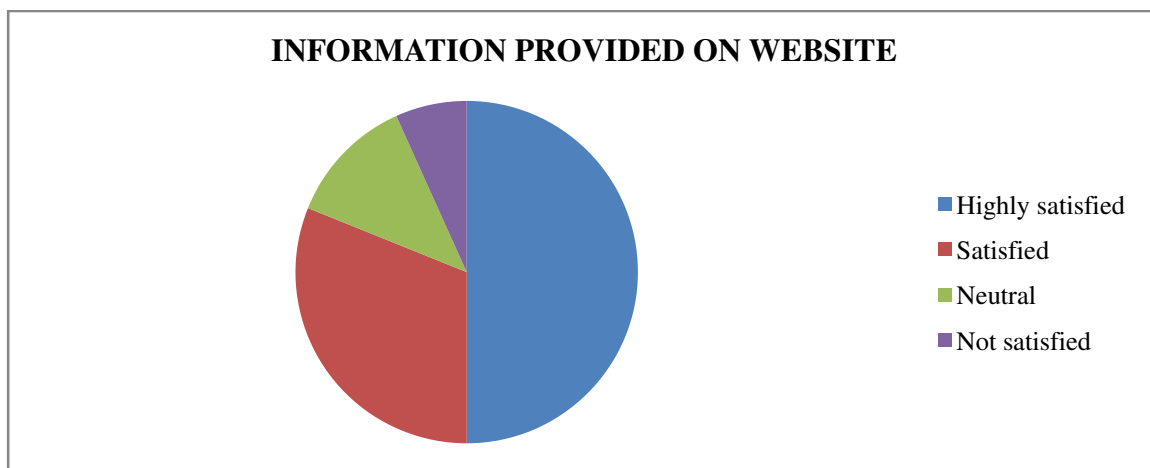


Figure 7 Showing graphical representation of information provided on website with ICICI bank in mandya city. More customers highly satisfied with ICICI bank Mandya city. 36 respondents are neutral and 20 respondents are not satisfied out of 296 samples.

Table: 8 Process of transactions

Particulars	No of respondents	Percentage
Highly satisfied	164	55.40
Satisfied	86	29.05
Neutral	28	9.46
Not satisfied	18	6.09
Total	296	100

(Source: primary data)

Table 8 showing process of transactions with HDFC bank in mandya city, as per data 55.40% respondents are highly satisfied, 29.05% satisfied, 9.46% neutral and 6.09 % not satisfied. These figures showing process of transactions with HDFC bank in mandya city.

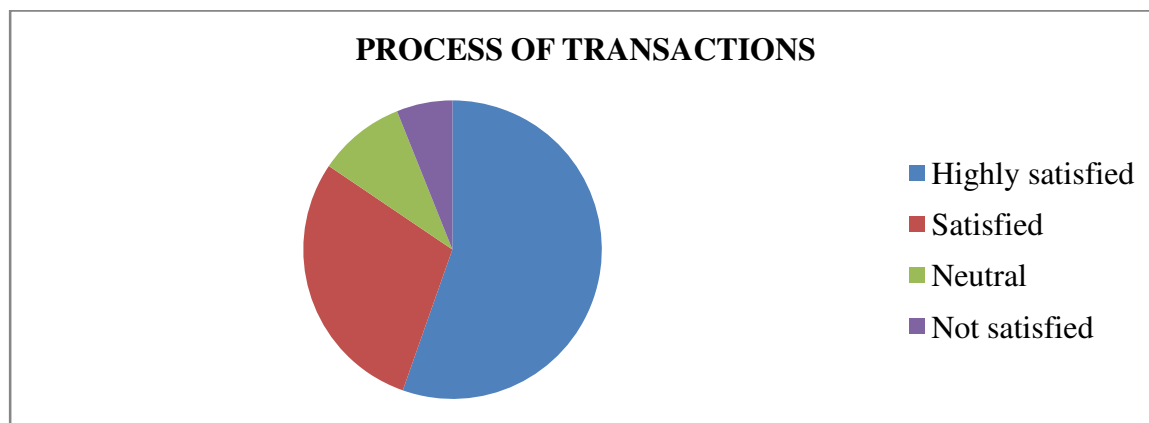


Figure 8 Showing graphical representation of process of transactions HDFC bank in mandya city. More customers highly satisfied with HDFC bank Mandya city. 28 respondents are neutral and 18 respondents are not satisfied out of 296 samples.

Table: 9 The perception towards customers on Empathy

Particulars	No of respondents	Percentage
Understanding needs	121	40.87
Convenient location	99	33.45
Willing to help	58	19.59
Sincere concern	18	6.09
Total	296	100

(Source: primary data)

Table 9 showing the perception towards customers on empathy with HDFC bank in mandya city, as per data 40.87% respondents are understanding needs, 33.45% are convenient location, 19.59% willing to help and 6.09 % sincere concern. These figures showing the perception towards customers on empathy with HDFC bank in mandya city.

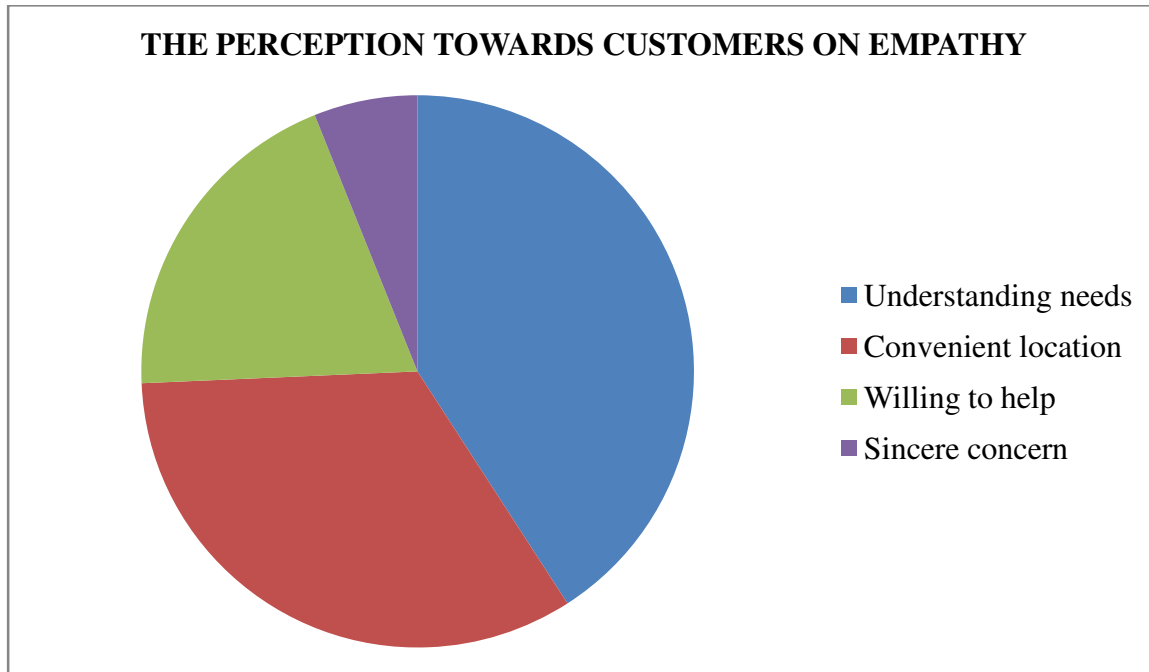


Figure 9 Showing graphical representation of the perception towards customers on empathy with HDFC bank in Mandya city. More respondents understanding needs with HDFC bank Mandya city. 58 respondents are willing to help and 18 respondents are sincere concern out of 296 samples.

Table: 10 Problem solving through instant information

Particulars	No of respondents	Percentage
Highly satisfied	144	48.65
Satisfied	102	34.46
Neutral	28	9.45
Not satisfied	22	7.44
Total	296	100

(Source: primary data)

Table 10 showing problem solving through instant information with ICICI bank in Mandya city, as per data 48.65% respondents are highly satisfied, 34.46% satisfied, 9.45% neutral and 7.44 % not satisfied. These figures showing problem solving through instant information.

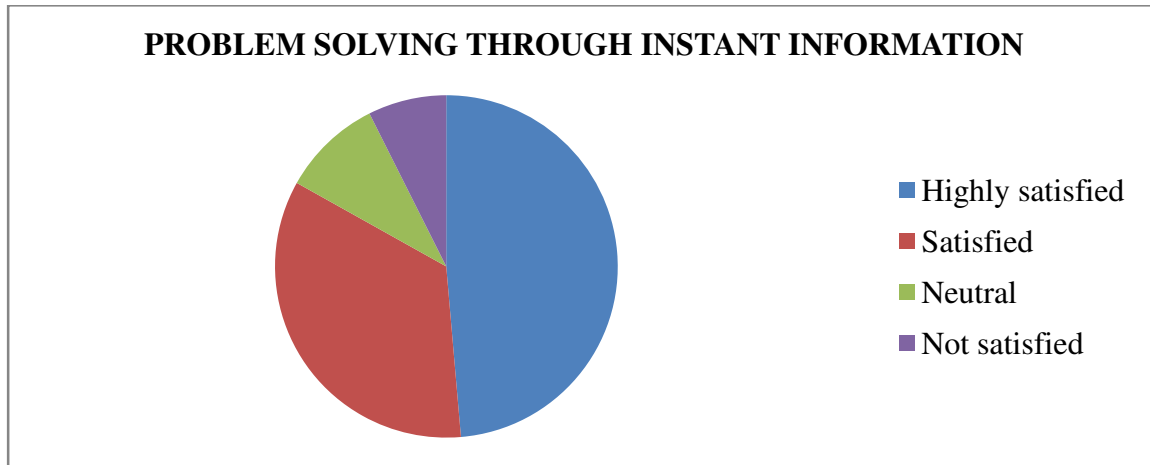


Figure 10 Showing graphical representation of problem solving through instant information with ICICI bank in mandya city. More customers highly satisfied with ICICI bank Mandya city. 28 respondents are neutral and 22 respondents are not satisfied out of 296 samples.

Table: 11 Easy and Convenient Banking

Particulars	No of respondents	Percentage
Easy to find and change	118	39.87
Instructions on the website	74	25
User friendly system	62	20.94
Convenient hours of operation (24 X7)	42	14.19
Total	296	100

(Source: primary data)

Table 11 showing the easy and convenient banking with HDFC bank in mandya city, as per data 39.87% respondents are easy to find and change, 25% are instructions on the website, 20.94% user friendly system and 14.19 % convenient hours of operation (24 x7). These figures showing the easy and convenient banking with HDFC bank in mandya city.

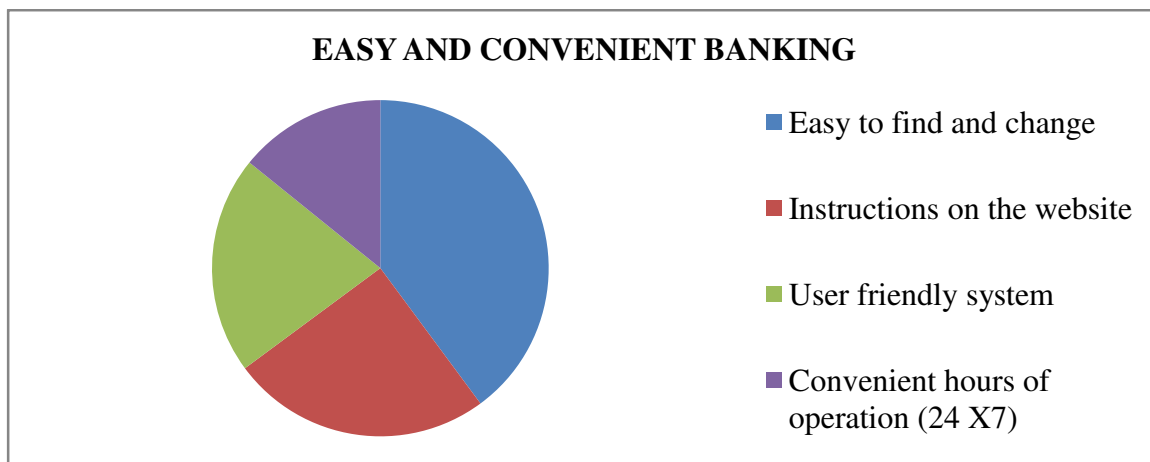


Figure 11 Showing graphical representation of easy and convenient banking with HDFC bank in mandya city. More respondents easy to find and change with HDFC bank Mandya city. 62 respondents are user friendly system and 42 respondents are convenient hours of operation (24 x7) out of 296 samples.

Table: 12 Frequently use the banking services.

Particulars	No of respondents	Percentage
Branch Banking	64	21.63
Internet Banking	52	17.56
ATM	122	41.22
Mobile banking	58	19.59
Total	296	100

(Source: primary data)

Table 12 showing frequently use the banking services with ICICI bank in mandya city, as per data 41.22% respondents are frequently used ATM services, 21.63% are used branch banking, and 19.59% are used mobile banking and 17.56 % internet banking. These figures showing frequently use the banking services.

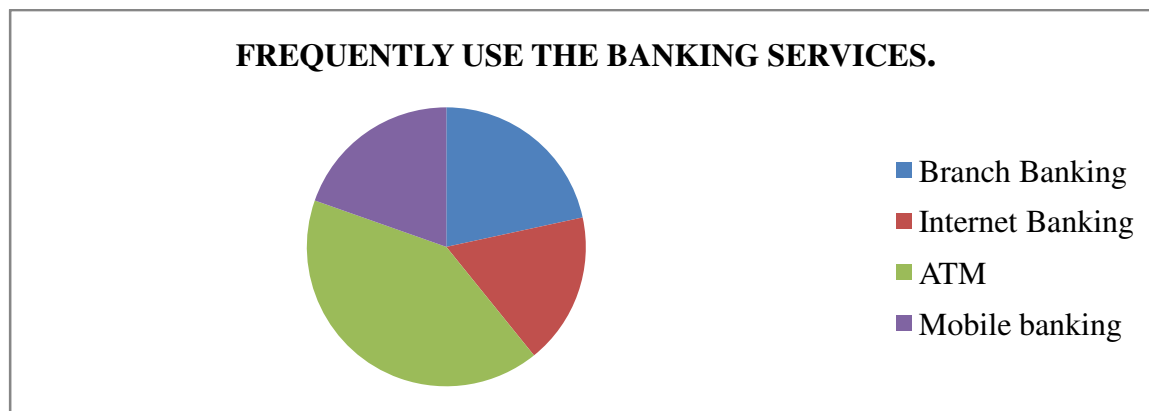


Figure 12 Showing graphical representation of frequently use the banking services with ICICI bank in mandya city. More customers frequently used ATM services with ICICI bank Mandya city. 58 respondents are used mobile banking and 52 respondents are internet banking out of 296 samples.

VI. CONCLUSION

In this paper studying the emphasize on security, website design, responsiveness, empathy, reliability, fulfillment, empathy, personalization and information are the major factors for banking service prospective to measure the effectiveness of digital service quality through e-service quality dimensions in mandya city of HDFC bank and ICIC bank . Based on the study conducted it can be concluded that responsiveness, assurance website design, responsiveness, empathy, fulfillment and reliability are the critical dimensions of service quality of HDFC bank and ICIC bank and they are directly related to overall service quality.

Service quality is the most common tool to measure the performance of the service sector. In this study the service quality of ICICI bank and HDFC bank is measured and the performance of both banks were analysed. The findings of the study are also useful and it helps to improve quality of

services in the required area. This study also gives scope for further study as the behavior of the customers can be evaluated with respect to the perceived service quality.

VII. Inference:

The study found that majority of the respondents were using of net banking services with ICICI bank and used on daily basis. Using online features regularly and instant problem solving services were satisfied in ICICI Bank and the HDFC bank respondents rated the overall experience with the net banking facility. In HDFC bank also the banking services were satisfied in quickness in locating and eliminating errors. Easiness, Convenient, empathy, and frequency of use of banking services were highly satisfied

In general it was found that assurance in banking services, reliability of banking services, information provided on website, process of transactions were most satisfied in both HDFC bank and ICICI bank.

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