

A Study On Customer Satisfaction With Regard To Alternative Delivery Channels Of Banks With Reference To Chennai Region

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Abstract- Alternate delivery channels are the on growing sector in the banking industry. These services have not only enhanced the satisfaction level of customers, but reduced the processing time and transaction time in banking. The efficiency of banks in terms of reduction of time in its activities and dealing the customers at the branches has also improved. The studies mainly focus upon alternate delivery channels impact on efficiency and profitability primarily due to the various alternate banking techniques. From the customer's view the study primarily focus upon; the reason customers choose e-banking products and increase in their level of satisfaction due to phone banking, digital banking, mobile banking, internet banking, website services, ATMs, etc.

Keywords- Alternate delivery channels, impact, customers, satisfaction, e-banking

I. INTRODUCTION

The Alternate Delivery Channel (ADC) techniques were introduced due to the huge need for proper management and communication of different services, products, and goods that were formerly not following an organized process flow. ADCs have progressed circumspectly and changed to perform consumer needs at their convenience. Digitalization and competition have changed the Indian banking framework. Alternative delivery channel techniques are a new avenue of banking activities it includes advanced financial services, products and new ways of banking operations and delivery services. In this modern banking includes computerized delivery of new and old monetary products and services directly to customers through electronic associated communication channel. These systems enable financial institution customers, individuals or businesses to have access to their account, have easy business transactions and to retrieve information on financial products and services through a public or private network. Now the customers are keen on multiple delivery channels which are flexible and also have convenient working hours neither the time nor the geographical locations are hindrances. Therefore, almost all

Indian commercial banks are providing services by way of various alternative e-channels; this is called as alternative banking techniques. There are various means of alternative banking i.e. Digital banking, Core banking Solution (CBS), ATM, POS Terminals, Mobile Banking, Internet Banking, Credit Cards, Debit Cards, EFT, RTGS, MICR clearing etc.

ADC services are a vital resource for the Bank, with a specific end goal to execute a typical multichannel technique expecting to empower the conveyance of an incorporated arrangement of administrations to clients while in the meantime accomplish cost efficiencies and increased revenue streams

The Alternate deliver channels have an important role in modern banking. The role of ADC is to conceive and preserve a friendly, convenient and activating banking experience. 24*7 online real-time access to the Bank, Access through the majority of electronic devices customers use (PC, ATM, Mobile, Tablets, phone, social media, etc.), and Adding value added services to enhance the customer satisfaction and also helps in retaining the customers.

Certain risks are associated with the use of ADCs. Certain characteristics of ADCs, such as a dependence on fast changing technology and their common nature points that there are chances new risks and problems. The main example for this is agent level fraud. There are also chances in the increase of old risks that is, increase in the number of cases or the increase in seriousness of old risk.

II. REVIEW OF LITERATURE

- **Kamesam (2001)** examined the quick changes that occurred in the Indian keeping money industry that featured on mechanical progressions and benefit in banks. The author concluded that in order to cut down crimes, security audit should be conducted which will be helpful in improving customer service, systematic efficiency, productivity and profitability.

- **Siam (2006)** evaluated the effects of electronic banking on the profitability of Jordanian banks. Researcher found out that e-services had a favorable effect in the long run profitability of banks. The researcher suggested that banks need to organize classes or campaigns to teach clients and aware them of practicality through less time, cost, effort.
- **Weninger (2000)** examined the upcoming role of electronic commerce in banks. The main aim of the study was to understand the changes occurred with electronic commerce. Researcher highlighted the fact that risks can be minimized through cost effective electronic process.

III. RESEARCH METHODOLOGY

This study is based on primary data. A structured and organized questionnaire was used to collect the data. The data were collected in the study in and around Chennai city for a period of one month. The time and cost constraints difficulty to access to the potential respondents caused to use the convenience sampling method. The collected data was formulated using the statistical tools such as Percentage analysis, chi-square test, t- test, ANOVA

IV. LIMITATIONS OF THE STUDY

- Due to time constraint sample size was refrained to 100.
- Due to the personal bias of the respondent’s errors may occur.
- The study is limited to Chennai town alone and the study cannot be compared to other geographical locations

V. DATA ANALYSIS AND INTERPRETATION

Chi-square test for association between Monthly Income and Amount spent through these ADC.

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	27.323 ^a	9	.001
Likelihood Ratio	28.374	9	.001
Linear-by-Linear Association	14.411	1	.000
N of Valid Cases	100		

Null Hypothesis- H₀: There is no significant association between Monthly Income and Amount spent through ADC.

Alternate Hypothesis- H₁: There is significant association between Monthly Income and Amount spent through ADC.

Chi-square test for association between Monthly Income and Amount spent through these ADC.

Interpretation

From the above table, it is found that the significance level at 5% is 0.001, so we reject the null hypothesis. Thus it is concluded that at 5% confidence level, there is significant association between monthly income and amount spent through ADC. Therefore it can be inferred that the monthly income influence their amount spent in alternate delivery channels.

T-test for significant relation between Gender and Usage of ADC

Null Hypothesis- H₀: There is no significant relation between gender and usage of alternate delivery channels

Alternate Hypothesis- H₁: There is significant relation between gender and usage of alternate delivery channels.

T-test for significant relation between Gender and Convenience in choosing ADC

Independent Samples Test

	Levene's Test for Equality of Variances	t-test for Equality of Means								
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Convenience	Equal variances assumed	2.553	.113	-1.210	97	.229	-1.248	1.031	-3.294	.798
	Equal variances not assumed			-1.198	48.655	.237	-1.248	1.041	-3.341	.845

Interpretation

Since the P value 0.229 is greater than 0.05, the Null Hypothesis is accepted at 5% significant level. Hence it is concluded that there is no significant relation between gender and convenience. Therefore it is discovered that the reason of choosing convenience does not differ with gender.

ANOVA test for significant relation between age and software update.

Null Hypothesis- H₀: There is no significant difference between age and software updates.

Alternate Hypothesis- H_1 : There is significant difference between age and software updates.

ANOVA
Software Updates

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.297	3	.099	.147	.931
Within Groups	64.453	96	.671		
Total	64.750	99			

Interpretation:

Since the P value 0.931 is greater than 0.05, the alternate Hypothesis is rejected at 5% significant level. Hence it is concluded that there is no significant relation between age and software updates. Therefore, it can be inferred that age is not related to software updates.

FINDINGS

- From the study it was revealed that 50% of respondents are male and 50% are female.
- It is discovered that the majority of the respondents spend Rs.2501 – 5000 through these channels.
- Through the study it is inferred that the safety in the satisfaction among the respondents is very high.
- From the study it is found in majority of the respondents, the reason to choose alternate delivery channels for anytime banking and efficient rates.
- From the study it can be observed that the transaction issues and bank relationship are the problems faced by respondents is high.
- From the study it was revealed that for t test there is no significant difference between genders with respect to usage of ADC.
- The study reveals that for ANOVA test there is no significant difference between age and knowledge on software updates.
- From the study it is inferred that for chi-square test there is association between monthly income and amount spent on these channels.
- From the study it is found that majority of the respondents are satisfied with the assistance provided by banks through ADC.

VI. SUGGESTIONS

1. Bring more online market presence using improvised technology platforms such as Web 2.0 and social networks.

2. New ideas can be identified and cost cutting can be done through investment in enterprise mobile financial service solutions
3. Give more importance towards web-based activities to put the online channel on an equal position with branch networks.
4. More consonant on consistent multi-channel incorporation to better serve customers and increase upper hand.
5. Spend more on customer analytics tools to improve customer relationships.

VII. CONCLUSION

Channelizing through channels is the new worldview for keeping money today, the development of Alternate Delivery channels has changed the flow of the branch arrange. Alternate Delivery channels have now turned out to be autonomous of branch to give one of a kind administrations including, check or money withdrawal, support exchanges, charge installments and now even versatile best ups. This exponential extension of administrations has now made the clients more slanted towards ADC's. To adapt up to this developing pattern, ADC's must be upheld by dependable innovation, banks need to guarantee information trafficking, server limit, security issues and calamity recuperation locales. Advances ought to be under nonstop survey and assessment to maintain a strategic distance from any antagonistic circumstances that could influence consumer loyalty.

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