

Customer Satisfaction on E-Banking Services: A Study on Canara Bank in Vijayapur District

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Abstract

The rapid advancement of information technology has transformed the traditional banking system into a digital platform, making e-banking services an essential part of modern banking. E-banking enables customers to access banking services anytime and anywhere, offering convenience, speed, and efficiency. Canara Bank, one of India's leading public sector banks, provides a wide range of electronic banking services such as internet banking, mobile banking, UPI, ATM services, and online fund transfers. The present study aims to analyze the level of customer satisfaction towards e-banking services offered by Canara Bank in Vijayapur District. The study focuses on factors such as ease of use, security, reliability, accessibility, and customer support. Primary data is collected through a structured questionnaire from customers using e-banking services, while secondary data is gathered from journals, books, and bank reports. Statistical tools such as percentage analysis and mean score analysis are used for data interpretation. The findings of the study will help in understanding customer perception and identifying areas for improvement to enhance the quality of e-banking services and customer satisfaction.

Keywords: Customer Satisfaction, E-Banking Services, Banking Technology.

Introduction

In recent years, the banking sector has undergone significant changes due to the rapid growth of information and communication technology. Traditional banking methods that required physical visits to bank branches have gradually been replaced by electronic banking services. E-banking refers to the delivery of banking services through electronic channels such as the internet, mobile phones, automated teller machines (ATMs), and other digital platforms. These services provide customers with the flexibility to perform banking transactions at their convenience, reducing time and effort.

Customer satisfaction plays a crucial role in the success of any banking institution, particularly in the competitive digital banking environment. Satisfied customers are more likely to remain loyal, use multiple banking services, and recommend the bank to others. In e-banking, customer satisfaction depends on various factors including service quality, security, and speed of transactions, user-friendly interfaces, and effective customer support.

Canara Bank, a prominent public sector bank in India, has adopted various e-banking services to meet the growing expectations of customers. In Vijayapur District, the usage of e-banking services has increased due to improved digital awareness and internet penetration. However, customer satisfaction levels may vary based on individual experiences and perceptions of service quality.

The present study focuses on evaluating customer satisfaction with e-banking services offered by Canara Bank in Vijayapur District. The study aims to identify the factors influencing satisfaction and highlight areas where improvements are required. The findings of this research will be useful for bank management to enhance service quality, improve customer experience, and strengthen customer relationships in the digital banking era.

Profile of Canara Bank

Widely known for customer centricity, Canara Bank was founded by Shri Ammembal Subba Rao Pai, a great visionary and philanthropist, in July 1906, at Mangalore, then a small port town in Karnataka. The Bank has gone through the various phases of its growth trajectory over hundred years of its existence. Growth of Canara Bank was phenomenal, especially after nationalization in the year 1969, attaining the status of a national level player in terms of geographical reach and clientele segments. Eighties was characterized by business diversification for the Bank. In June 2006, the Bank completed a century of operation in the Indian banking industry. The eventful journey of the Bank has been characterized by several memorable milestones. Today, Canara Bank occupies a premier position in the comity of Indian banks.

Canara Bank has several firsts to its credit. These include:

- Launching of Inter-City ATM Network
- Obtaining ISO Certification for a Branch
- Articulation of Good Banking – Banks Citizen Charter
- Commissioning of Exclusive Mahila Banking Branch
- Launching of Exclusive Subsidiary for IT Consultancy
- Issuing credit card for farmers
- Providing Agricultural Consultancy Services

Over the years, the Bank has been scaling up its market position to emerge as a major Financial Conglomerate with as many as thirteen subsidiaries/sponsored institutions in India and abroad. As at March 2025, Canara Bank services over 11.76 crore customers through a network of 9,849 branches and 11,144 ATMs/Recycler spread across all Indian states and Union Territories.

Not just in commercial banking, the Bank has also carved a distinctive mark, in various corporate social responsibilities, namely, serving national priorities, promoting rural development, enhancing rural self-employment through several training institutes and spearheading financial inclusion objective. Promoting an inclusive growth strategy, which has been formed as the basic plank of national policy agenda today, is in fact deeply rooted in the Banks founding principles. "A good bank is not only the financial heart of the community, but also one with an obligation of helping in every possible manner to improve the economic conditions of the common people". These insightful words of our founder continue to resonate even today in serving the society with a purpose. The growth story of Canara Bank in its first century was due, among others, to the continued patronage of its valued customers, stakeholders, committed staff and uncanny leadership ability demonstrated by its leaders at the helm of affairs. We strongly believe that this century is going to be equally rewarding and eventful not only in service of the nation but also in helping the Bank emerge as the "Best Bank to Bank with" by pursuing industry benchmarks in profitability, operational efficiency, asset quality, risk management and digital innovation.

Review of Literature

Raza and Khan (2017) emphasized that technical factors such as transaction speed, reliability, and effective customer support are crucial in determining customer satisfaction.

Mishra and Jain (2019) highlighted that prompt and efficient customer support increases satisfaction, while poor service negatively affects perception, even when technical quality is high.

Suganthi & Karthikeyan,(2022). E-banking, also known as digital banking has become an essential part of modern banking services. It allows customers to access banking services anytime and anywhere through the internet, mobile apps, ATMs, and other electronic channels. Customer satisfaction in e-banking is influenced by several factors such as ease of use, reliability, security, accessibility, and

quality of customer support. Satisfied customers are likely to continue using the services and recommend them to others, making it critical for banks to focus on service quality.

Kumar and Sharma (2022) also supported these findings, stating that website speed, reliability, and personalized services are major determinants of satisfaction and customer retention.

Ranjan and Singh (2023) examined customer perception and satisfaction in digital banking services in India and found that security, transaction speed, and mobile app interface quality are critical for customer satisfaction. The study highlighted that frequent users report higher satisfaction and that **real-time problem resolution** is essential to maintain customer loyalty.

Objectives of the Study

- To study the level of customer satisfaction with e-banking services of Canara Bank in Vijayapur District.
- To identify the factors influencing customer satisfaction towards e-banking services.
- To analyze customers' perception of the quality of e-banking services.
- To examine the problems faced by customers while using e-banking services.
- To suggest measures for improving customer satisfaction with e-banking services of Canara Bank.

Hypotheses of the Study

H₀ (**Null Hypothesis**): There is no significant relationship between the quality of e-banking services and customer satisfaction.

H₁ (**Alternative Hypothesis**): There is a significant relationship between the quality of e-banking services and customer satisfaction.

Statement of the Problem

With the rapid growth of digital technology, banks are increasingly offering e-banking services to provide fast, convenient, and efficient services to customers. Canara Bank has introduced various e-banking facilities such as internet banking, mobile banking, UPI, ATM services, and online fund transfers. Although these services offer many benefits, customers may face problems related to security, technical issues, lack of awareness, and service quality, which can affect their level of satisfaction.

In Vijayapur District, the adoption of e-banking services is growing, but the level of customer satisfaction may differ based on factors such as ease of use, reliability, safety, and customer support. Understanding customer satisfaction is essential for improving digital banking services and retaining customers. Hence, this study seeks to analyze customer satisfaction towards e-banking services offered by Canara Bank in Vijayapur District and identify areas that require improvement.

Scope of the Study

The scope of the present study is limited to customers of **Canara Bank** who are using e-banking services in **Vijayapur District**. The study focuses on understanding customer satisfaction with various e-banking facilities such as internet banking, mobile banking, UPI services, ATM services, and online fund transfers.

The study considers factors such as ease of use, security, reliability, accessibility, and customer support that influence customer satisfaction. The findings of the study will help Canara Bank to identify strengths and weaknesses in its e-banking services and take necessary measures to improve customer satisfaction.

Research Design

Sample Size

The sample size for the study consists of **100 customers** of Canara Bank in Vijayapur District.

Sampling Technique

Convenience sampling method is used to select the respondents.

Tools for Data Analysis

- Percentage analysis
 - Mean score analysis
 - Correlation Analysis
- Tables, charts, and graphs for interpretation

Analysis and Interpretation

Correlation Analysis of Service Quality Factors

Service Quality Factor	Correlation with Satisfaction (r)	Interpretation
Ease of Use	+0.68	Strong Positive
Security & Reliability	+0.72	Strong Positive
Customer Support	+0.63	Positive

Hypothesis Result

- Since all three factors of service quality (ease of use, security & reliability, customer support) show **strong positive correlations** with customer satisfaction ($r > 0.60$), the **null hypothesis (H_0) is rejected**.
- The **alternative hypothesis (H_1) is accepted**, concluding that **the quality of e-banking services has a significant positive effect on customer satisfaction** among Canara Bank customers in Vijayapur District.

Findings

Based on the analysis of the primary data collected from 100 customers of Canara Bank in Vijayapur District, the following findings have been observed:

- **Demographics & Usage**
Majority of customers (35%) belong to the **21–30 age group**, showing that younger customers are more active users of e-banking services. 60% of respondents are male, while female participation is 38%, indicating moderate gender diversity in e-banking usage. 40% of customers use e-banking services **daily**, demonstrating high adoption of digital banking.
- **Ease of Use**
Most customers find e-banking services **easy to use and convenient**, with a mean score above 4.0. Registration, login, and transaction processes are perceived as simple and efficient.
- **Security and Reliability**
Customers generally trust the **security and reliability** of Canara Bank’s e-banking services. Some respondents reported minor technical issues, suggesting a need for better system stability and faster resolution of problems.
- **Customer Support**
Customers are satisfied with **customer support**, but a few feel that issue resolution could be faster. Staff guidance and helpdesk support are appreciated but can be enhanced for complex issues.
- **Overall Satisfaction**
Overall customer satisfaction with e-banking services is **high**, with customers agreeing that the services meet their expectations. Many customers (mean score 4.2) are willing to recommend Canara Bank e-banking services to others.
- **Correlation Analysis**
Security and reliability have the strongest positive correlation with customer satisfaction, followed by ease of use and customer support. This shows that trust in the bank’s e-banking systems is the most important factor influencing satisfaction.

Suggestions

Based on the study findings, the following suggestions are recommended to improve customer satisfaction with Canara Bank's e-banking services:

- **Enhance Technical Stability**
Minimize system downtime and technical glitches to ensure smooth transaction experience.
- **Improve Customer Support**
Provide faster resolution of complaints through dedicated e-banking support. Offer online tutorials and step-by-step guides for complex services.
- **Focus on Security Awareness**
Educate customers about online safety measures to strengthen trust in e-banking services. Regularly update security protocols to prevent fraud.
- **User-Friendly Interface**
Simplify mobile and internet banking apps for all age groups, including senior customers.
- **Promotion & Feedback Mechanism**
Encourage customers to provide feedback on e-banking services. Run awareness campaigns for less tech-savvy customers.

Conclusion

The study reveals that customers of Canara Bank in Vijayapur District are generally satisfied with the bank's e-banking services. Services like mobile banking, internet banking, UPI, and online fund transfer are convenient, reliable, and secure, leading to high overall satisfaction.

However, there is scope for improvement in technical support, system stability, and customer guidance, which can further enhance the banking experience. By implementing the suggestions, Canara Bank can strengthen customer loyalty, improve adoption rates, and maintain a competitive edge in the digital banking sector.

In conclusion, e-banking is a valuable service for customers, and continuous improvement based on customer feedback will ensure sustained satisfaction and trust in Canara Bank's digital services.

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