

**0“COMPARATIVE STUDY OF CUSTOMER EXPERIENCE ON DIGITAL
BANKING OF PUBLIC SECTOR BANKS AND PRIVATE SECTOR
BANKS”**

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**In partial fulfilment of the requirement for the
DEGREE OF BACHELOR OF COMMERCE**

Submitted by

ALAN T ANTONY (210021074272)

AJIN SHIBU (210021074346)

TENSIN M T (210021074338)

Under the supervision of

Asst Prof. SOUMYAA VARGHESE

Department of B. Com Finance and Taxation



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DEPARTMENT OF FINANCE AND TAXATION
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CERTIFICATE

We hereby declare that the project entitled " **COMPARATIVE STUDY OF CUSTOMER EXPERIENCE ON DIGITAL BANKING OF PUBLIC SECTOR BANKS AND PRIVATE SECTOR BANKS** " is a project work done by **ALAN T ANTONY, AJIN SHIBU, TENSIN M T** in partial fulfilment of the Bachelor of Commerce in Mahatma Gandhi University under the supervision of **Asst. Prof. SOUMYA VARGHESE** It has not previously formed the basis for the award of any degree, fellowship, and associate-ship etc.

Signature of HOD

Ancy Antony

HOD & Assistant Professor

BCOM Finance & Taxation

Signature of Guide

Soumya Varghese

Assistant Professor

BCOM Finance & Taxation

Name & Signature of External

Examiner

DATE:

DECLARATION

We **ALAN T ANTONY, AJIN SHIBU, TENSIN M T** B.com Final year students, Department of Finance and Taxation, Bharata Mata College, Thrikkakara, hereby declared that the project "**COMPARATIVE STUDY OF CUSTOMER EXPERIENCE ON DIGITAL BANKING OF PUBLIC SECTOR BANKS AND PRIVATE SECTOR BANKS**" is our original work and has not been submitted earlier to M.G University or to any other universities. We have undertaken this project work in partial fulfilment of the requirement for the Award Degree BACHELOR OF COMMERCE.

PLACE:

DATE:

ALAN T ANTONY

AJIN SHIBU

TENSIN M T

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ALAN T ANTONY

AJIN SHIBU

TENSIN M T

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CHAPTER 1
INTRODUCTION

1.1. INTRODUCTION

E-commerce has led to the adoption of digital banking channels, such as telephone, internet, and mobile banking, by banks to offer services to customers. This has impacted marketing efforts and customer interfaces, leading to multi-channel services and reduced branch closures. However, this shift poses challenges for banks in customer acquisition, retention, and profitability, which are no longer solely determined by branches. Understanding the impact on customer experience and financial performance is crucial for managers. Firms must adapt to customer demands by offering quality services and enhancing performance. Data-driven banking (DB) has enabled instant services, but research mainly studies customers. Employees, who interact with customers, are crucial for service delivery, trust, and behavior. Managers' opinions are essential for understanding customer experience and financial performance impact. Mobile banking is a significant strategic change in banks, but previous research has limitations due to methods and phenomenon. Alternative research perspectives and experience guidelines are needed to understand its impact on customer experience and financial performance.

We now consider digitalization to be an essential aspect of life, without which it would be meaningless. Digitalization is becoming increasingly important in today's fast-paced environment. The process of transforming data into a digital representation is called digitization. Almost every industry in the economy depends on digitization to flourish, and the banking industry is no exception. When compared to the countries who are trailing behind in implementing digitization, the ones that are adjusting to it with ease are functioning very well.

Because the banking industry offers financial support to other industries, hence promoting capital creation, it is referred to as the sector that develops all other sectors. India is falling behind other nations in the globe in terms of digitalizing the financial system, despite being one of the fastest developing nations in the world. As a result of evolving consumer behaviour, rising expectations, and innovation, the banking industry is undergoing significant changes. The goal of this study paper is to examine how customers are feeling about the digitalization of banking and to obtain fresh insight into the subject. The banks provide their clients a variety of digital banking services, including National Electronic Fund Transfer and Real Time

Digitalization innovation has led to breakthrough technologies like artificial intelligence (AI) and increased accessibility of digital channels. However, customers may avoid costly and complex digital services, and may show dissatisfaction with multichannel services. Safety is a significant factor in adopting digital customer experience claims. Increased IT investments in the banking industry can affect bank results and impact end-users. Ultimately, focusing on improving customer experience claims can positively impact banks and their customers.

1.2. SIGNIFICANCE OF THE STUDY

Banks may reduce costs, grow their client base, offer mass customisation for e-business services, expand their marketing and communication channels, look for new innovative services, and investigate and develop non-core business ventures with the aid of internet banking. Digital banking's greatest benefit is how time-efficient it is. Tasks like fund transfers which earlier required us to visit the bank, can now be easily performed 24x7 from the comforts of your home through Digital Banking modes like Net Banking or Mobile Banking or UPI.

1.3. STATEMENT OF THE PROBLEM

Digital technologies have transformed the banking sector, offering new customer interaction channels. Private and public sector banks are key players in this field, striving to provide optimal digital banking experiences. Understanding and comparing these offerings is crucial for various reasons:

- How would you rate the responsiveness and effectiveness of customer support in private sector bank digital platforms compared to public sector bank platforms?
- Are customers more likely to use advanced financial tools and features offered by private sector banks in their digital banking platforms?
- What level of customer satisfaction do private sector banks give on their digital banking systems in terms of customer care services?

1.4. OBJECTIVES

- ✓ To conduct a comparative analysis of the digital banking experiences provided by public and private sector banks.
- ✓ To identify the issues with digital banking and offer recommendations for improving its functionality.
- ✓ The aim is to investigate the factors that impact the uptake of digital banking services offered by banks in both the public and commercial sectors.

1.5. RESEARCH METHODOLOGY

Research Design: Determine the appropriate research design, considering factors such as study objectives, available resources, and the nature of the research questions.

Both primary and secondary data are collected for the investigation. The most common methods used to acquire primary data are surveys and interviews. Secondary data collection is gathered from published articles, research reports, and official publications.

Convenience sampling is used in this system of study.

Population: India has twenty-one private sector banks and twelve public sector banks.

Sample size: Data was collected from 81 customers from Ernakulam.

Tools used: Pie chart

1.6. Limitations of the Study

- **If the sample isn't representative of all private and public sector bank customers, sampling bias may be present in the study, which might have an impact on the findings' generalizability.**

- **The study's relevance to a wider context may be limited by its emphasis on certain institutions or geographic areas.**
- **As technology advances and market dynamics and regulations shift, customer experiences in digital banking are susceptible to change over time.**
- **The competitive environment, world events, and economic conditions are examples of external influences that might affect how customers think and act.**

CHAPTER 2
LITERATURE REVIEW

2.1. LITERATURE REVIEW

- Pal, R., Kumar, S., & Chandel, K. (2023). The financial landscape of the Indian banking industry has changed as a result of digitization. Every financial transaction is significantly impacted by various e-banking service kinds. E-banking services have integrated with the Indian banking industry. The life of the average man has drastically changed thanks to modern e-banking services. The two main e-banking services are automated teller machines and point of sale devices.
- McDonald, L. M., & Rundle-Thiele, S. (2008). The academic research community can help managers understand how to best deploy firm resources in instances of poor customer satisfaction by assessing the potential impact on customer satisfaction of CSR initiatives versus customer centric initiatives. Such efforts are timely and important from a managerial perspective.
- Kaura, V., Durga Prasad, C. S., & Sharma, S. (2015). Service quality, service convenience, price and fairness, customer loyalty, and the mediating role of customer satisfaction. This study aims to investigate the impact of the quality of service, perceived price and fairness, and service convenience on customer loyalty and satisfaction in the Indian retail banking sector. It goes on to examine the function of customer satisfaction as a mediating factor between the aspects of service quality, perceived cost and fairness, service convenience, and customer loyalty.
- Ghosh, S. (2019). The ability of a company to realise money from current assets with the aim to pay down its current liabilities as they become due is known as liquidity. A degree of liquidity that is either excessive nor too low is preferred. Therefore, a strong financial management strategy aims to keep the right amount of liquidity for paying off current debts as they come due without compromising profitability.

- Reddy, K., & Reddy, R. (2020). Financial institutions, markets, financial instruments, and financial services make up the financial system. This system of organised financial institutions works with the mobilisation, coordination, marketing, and distribution of financial products to various societal groups.
- Van Thiel, S., & Leeuw, F. L. (2002). In the public sector, the usage of performance assessment tools has significantly increased as a result of administrative reform. However, this has also produced a number of unexpected effects, including "analysis paralysis," the performance paradox, and tunnel vision. These unexpected outcomes may have a detrimental effect on performance or at least lower the quality of the knowledge about the actual state of performance.
- Allen, F., & Gale, D. (1995). The organisation of financial systems varies greatly between nations. We contrast two polar opposites. One of these, which we call the "German model," is dominated by intermediaries. Financial markets are a crucial factor in the second, what we refer to as the "U.S. model." Our goal is to add to the theoretical foundation for the examination of comparative financial systems' welfare.
- ȚB Monica, C Iuliana. (2019). The study explores the usability and cognitive understanding of banking services webpages using neuromarketing and eye tracker techniques. A two-step research design was developed, analyzing consumers' attention and memory during and after viewing two Romanian websites. Results showed information structure and presentation influence usability and understanding.
- P Suborn & S Limwiriyakul (2011). The paper examines internet banking security systems in Australian banks, revealing a lack of security in all 16 selected banks. The results suggest that customers' confidentiality is affected by the lack of internet banking security. Recommendations include better security information, two-factor authentication, and

stronger encryption. The study also suggests expanding to include customer interviews, auditing, website design, and mobile banking security.

- Akhtar Riaz & Dong Yang (2004). Internet banking. The study explores the role of websites in Internet banking, focusing on Swedish and Chinese customers as case studies. It reveals several factors influencing consumers' use of internet banking websites and various variables enhancing customer service. The internet has become a driving force in the new economy, enabling banks to delegate tasks to customer.
- G Timokhina & L Prokopova. (2021). This study aims to identify the opportunities and threats affecting digital premium banking customers' experiences. It uses online questionnaires, interviews with heads of departments, and Mystery Shopping audits in 13 Russian banks. The research hypothesizes four barriers preventing effective digital interactions and highlights opportunities for improving customer experiences. The study also introduces a Premium Digital Customer Experience Map, a tool for planning and improving services, and compares performance between competing banks. The authors define digital customers and introduce a new approach to Mystery Shopping methodology, recruiting Mystery Shoppers based on three premium banking customer portraits: "saver", "spender", and "saver-spender".
- Shin & Jae Woo. (2021). This study examines the impact of customer experience on customer satisfaction and reuse intention in digital banks. A survey of 247 Korean digital bank users revealed that satisfaction positively influences reuse intention through the four customer experience variables. The findings provide insights into customer reuse mechanisms in digital banks and offer practical implications for improving customer and bank management strategies. Structural equation modeling was used to test relationships between variables.
- Cajetan I. Mbama & Patrick O. Ezepeue. (2018). The study focuses on UK bank customers' perceptions of customer experience, using financial reports to obtain financial performance

ratios. Factors determining customer experience include service quality, functional quality, perceived value, employee engagement, perceived usability, and perceived risk. A significant relationship exists between customer experience, satisfaction, and loyalty, related to financial performance. Although the study is limited to UK customers, its findings could be robust for global bank management. Replicating the study in other countries would enhance its robustness.

- Kim, G., Shin, B., & Lee, H. G. (2009). Recognising the relationship between initial mobile banking trust and usage intentions. A newer kind of mobile commerce is mobile banking, which has the potential to bring in more money for telecom companies and banks alike. It's a type of service convergence made possible by cutting-edge technology.
- Yiu, C. S., Grant, K., & Edgar, D. (2007). Internet banking adoption in Hong Kong is influenced by certain factors. The banking and financial industries have been prompted to encourage clients to bank online by the Internet's and electronic business's fast expansion. This study investigates Hong Kong retail customers' use of Internet banking.
- Nadu, t. (2019). a comparative study of e-banking services of the public and the private sector banks in Virudhunagar district. Banking institutions are crucial for a country's economic growth and development, serving as pillars of support. The strength of an economy relies on a sound and efficient financial system. The Indian banking industry has undergone significant changes, with e-banking enabling banks to scale borders and change strategic behavior. Financial sector reforms have been initiated since the 1990s to improve resource efficiency and accelerate growth.
- Sagar, k. d. (2023). comparative study of e-banking services by public and private sector banks of India. This study compares the e-banking services of public and private sector banks in India, focusing on customer awareness, performance, satisfaction, perception, and problems faced by customers. The research uses primary data from 830 respondents in selected cities of the Saurashtra region. The study uses Chi Square Test, Mann-Whitney U

Test, and Kruskal Wallis Test to analyze the relationship between performance, satisfaction, and perception. Results show private sector banks are more efficient and satisfied, while public sector banks are working to bridge this gap.

- Roshni, t. (2022). Financial sector reforms have significantly impacted financial markets and the banking industry, leading to innovation and the introduction of e-banking. This study aims to compare customer satisfaction levels and issues faced by public and private sector banks regarding e-banking services.
- Sayed, G., & Sayed, N. S. (2020). Financial Technology (Fintech) has significantly transformed the Indian financial system, particularly after the 2008 financial crisis. It has reshaped loan giving, payment services, wealth management, and remittance transfer. The Indian government is advocating digital or cashless banking through its demonetisation policy in November 2016.
- Khan, I. U. (2022). The study explores the impact of culture on digital banking adoption in Pakistan and China. It uses the unified model (UTAUT-2) and customer support to analyze factors such as performance improvement, hedonic motivation, habit, and real-time support. The findings suggest that societal influence, cost factors, habitual work, and banks' support mechanisms are key factors in Pakistani customers' adoption, while Chinese customers are attracted by societal influence.
- Havíř, D. (2017). Customer experience is gaining attention in the scientific and managerial community, with calls for a uniform definition and development of frameworks. However, there is fragmentation in this area. This paper aims to summarize research on customer experience analysis and compare dimensions from seven conceptual models with 17 research projects conducted after 2010. The paper extracts dimensions and factors from seven models and 17 practical research papers, comparing their results to create a new universal set of dimensions to address fragmentation.

- Althobaiti, M. M., & Mayhew, P. (2014, October). Bank websites are high-risk, and security is crucial for users to access sensitive information. This paper examines the security and usability of single and multifactor authentication methods. A survey of 302 e-banking customers found multifactor authentication secure and trustworthy, with high usability. Token-based authentication was perceived as more usable than SMS-based authentication, highlighting the importance of user-friendly authentication mechanisms on banking websites.
- Ma, E., Bao, Y., Huang, L., Wang, D., & Kim, M. (2023). This research combines product level theory and experience economy models to analyze robotic technology applications and customer experiences in US and Chinese case robot restaurants. It explores the impact of robots at different product/service levels on customers' dining experiences. The study contributes to the product level theory and experience economy literature, particularly in light of COVID-19 challenges and alternative service delivery methods.
- Ashima, J. (2016). Case Study: This research paper examines customers' preferences and contentment towards e-banking services in India. Comparative analysis reveals a significant relationship between demographic variables and bank choice. Gender and age are not deciding factors, but occupation and average income level play a significant role. Income and occupation play a significant role in selecting a bank.
- Babu P George, Purva G Hegde. (2004). The article examines the paradigmatic shifts faced by traditional government-supported banking establishments in the context of liberalization-privatization-globalization. It highlights the importance of employee attitudes, satisfaction, and motivation for customer satisfaction and competitive survival. The article advocates for a shift from viewing service production and consumption as isolated systems to a network relationship among stakeholders, involving inter-party negotiations. This perspective should guide policies, training, and personnel to handle irate customers effectively.

- Joao AC Santos. (2001). This paper reviews theoretical literature on bank capital regulation and analyzes approaches to redesigning the 1988 Basel Accord on capital standards. It discusses market failures justifying banking regulation and proposes mechanisms to address these failures. The paper also discusses alternative approaches to setting capital standards and the Basel Committee's proposal for a new capital adequacy framework.
- Geert Bouckaert, B Guy Peters, Koen Verhoest. (2016). Organizations are the foundation of governments, with their roles evident in public bureaucracy. To understand government operations, scholars should focus on organizations involved in service delivery. Practitioners should examine their role and improve their effectiveness in the public sector.
- Baloach, Q. B., Khan, M. I., & Alam, A. (2010). ., This study examines the online banking services between Islamic and conventional commercial banks in Pakistan. Using multiple case studies, it found that Islamic banks benefit from lower costs, efficiency, and time savings. However, it suggests that Islamic banks should focus on professional and technical skills and provide clear information to build customer trust.
- Ramadhan, A. T., & Sudrajad, O. Y. (2022). Digital banks in Indonesia have become increasingly prevalent, aiming to improve efficiency and quality of operations. However, a study using the Difference-in-Differences method found that financial performance did not significantly increase after digitalization. The study used three banks adopting digitalization as treatment and 12 commercial banks as control. The results can inform Indonesian banks to consider digitalization strategies to improve their financial performance.
- Liébana-Cabanillas, F., Muñoz-Leiva, F., Sánchez-Fernández, J., & Viedma-del Jesús, M. I. (2016). This paper explores satisfaction research for electronic banking users, focusing

on the moderating effect of user experience on financial institutions' business strategies. A behavioral model was developed, analyzing the relationship between variables like ease of access, trust, ease of use, and usefulness. The study, limited to a single financial institution, provides valuable insights for financial institutions, highlighting the causal relationships between satisfaction and its main determinants.

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CHAPTER 3
THEORETICAL FRAMEWORK

3.1. Introduction

The Indian banking system is a crucial economic pillar, facilitating financial intermediation, capital mobilization, and economic development. With a rich history, it has evolved into one of the world's largest and most diverse banking systems. It comprises public, private, foreign, cooperative, and specialized financial institutions, contributing to the nation's financial infrastructure. The Indian banking system has roots in ancient times, with early practices focusing on money lending, barter systems, and informal credit arrangements. The colonial era saw the establishment of the Bank of Hindostan in 1770 and subsequent Presidency Banks in the early 19th century, catering to European traders and merchants. The post-independence period saw significant milestones in the evolution of the Indian banking system, such as the nationalization of the Reserve Bank of India (RBI) in 1949 and the nationalization of major commercial banks in 1969 and 1980 to promote financial inclusion, social welfare, and strengthen the public sector's role in banking. The economic liberalization reforms of the early 1990s heralded a new era of growth and modernization in the Indian banking sector. These reforms aimed to liberalize the financial sector, encourage competition, and foster innovation while maintaining regulatory oversight. The Indian banking system comprises various types of banks, including public, private, foreign, cooperative, and regional rural banks. The Reserve Bank of India (RBI) is the central bank responsible for maintaining monetary stability and financial supervision. The system supports economic growth, facilitates financial inclusion, and offers various banking services to individuals, businesses, and government entities. Over time, the Indian banking system has evolved, adapting to changing economic, technological, and regulatory environments while driving India's economic progress and prosperity. Technological advancements, such as computerization, internet banking, and mobile banking, revolutionized banking operations and customer services, making banking more accessible and convenient for millions of Indians.

The theoretical framework for a comparative study of customer experience in digital banking between public and private sector banks involves considering various theoretical perspectives and models that can guide your analysis. Here are some theoretical frameworks that can be used as a foundation for your study:

1. Technology Acceptance Model (TAM): TAM studies user acceptance and usage of technology based on perceived usefulness and ease of use, aiding in understanding customer preferences and influencing their digital banking service choices.
2. Service Quality Models: SERVQUAL and SERVPERF models evaluate service quality in digital banking services, focusing on reliability, responsiveness, assurance, empathy, and tangibles, influencing customer experiences.
3. Customer Experience Management (CEM): CEM enhances customer interactions across touchpoints by understanding customer journeys, emotions, and perceptions. It provides insights into digital banking platform management by public and private sector banks.
4. Trust and Technology Adoption: Trust is crucial for technology adoption, and models like TAT and Trust-Commitment theory can evaluate its impact on customers' decisions to use digital banking services.
5. Institutional Theory: Institutional theory explores how organizational structures and cultures influence behavior, particularly in the context of digital banking, highlighting the impact on customer experiences
6. Diffusion of Innovation Theory: The theory explains the adoption and spread of digital banking innovations, providing insights into adoption rates, types, and customer experiences in both public and private sector banks.
7. Customer Relationship Management (CRM): CRM frameworks can help banks understand customer relationships through digital platforms, analyzing personalized services, retention strategies, and feedback mechanisms, providing insights into public and private sector banking engagement.

3.2. Digital Banking

Digital banking refers to the digitization of traditional banking activities and services, allowing customers to perform various financial transactions online or through mobile applications without the need to visit a physical bank branch. It encompasses a wide range of services, including online

account management, fund transfers, bill payments, loan applications, investment management, and more.

3.3. Features of digital banking:

- **Online Banking Platforms:** Banks provide secure websites or mobile applications where customers can access their accounts, view transaction history, check balances, and perform various banking activities.
- **Mobile Banking:** With the proliferation of smartphones, mobile banking apps have become increasingly popular. These apps allow customers to perform banking transactions on-the-go, anytime and anywhere.
- **Digital Payments:** Digital banking facilitates various payment methods such as online bill payments, peer-to-peer transfers, mobile wallet payments, and contactless payments using Near Field Communication (NFC) technology.
- **Remote Deposit Capture:** This feature enables customers to deposit checks remotely by capturing an image of the check using their smartphone or scanner and uploading it through the bank's app or website.
- **Electronic Statements:** Instead of receiving paper statements by mail, digital banking users can opt to receive electronic statements (e-statements) via email or through the bank's online platform.

3.4. Benefits of digital banking:

Digital banking offers a convenient and efficient alternative to traditional banking methods. With the ability to access banking services remotely through websites and mobile applications, users can perform a wide range of tasks, such as transferring money, paying bills, and generating bank statements.

3.5. Products and Services

- Savings Accounts

Digital banks offer Savings Accounts for easy access to banking services and to preserve your money's purchasing power with interest.

- Current Accounts

Businesses use Current Accounts as they usually need to make multiple transactions daily. Unlike Savings Accounts, these accounts aren't charged any fees after a certain number of transactions.

- Bank Statements

Through digital banking, you can generate bank statements online using the bank's mobile application or website. These statements can be beneficial to users to reflect on how they have been spending their money.

- Loans

Certain banks give loans to their users through digital means only. However, not all online banks can lend money to their users.

3.6. Types of Digital Banking Services

- Card Payments

Card payments are the most widely used tool in the digital banking space. You can use a credit/debit card to purchase goods and services online, pay utility bills, make business transactions, etc. You can use these cards to withdraw cash from ATMs as well.

- United Payment Interface (UPI)

UPIs are a system that allows you to link your bank account(s) to a mobile application. You do not need an IFSC code or bank details to use a UPI; payments are made through a virtual payment address (VPA) instead. Payments made through this system are quick and hassle-free. Through UPI applications, you can send or request money, pay bills, scan and pay through QR codes, make peer-to-peer payments, and much more. UPIs are gaining popularity for being the most convenient cash-free payment method.

- Internet Banking

Internet banking functions similarly to brick-and-mortar banks. The difference is that these services are all online. You can send or receive money through Internet banking via NEFT, IMPS, or RTGS transfers. You can also avail of other services like checking your bank statement.

- Mobile Banking

You can access digital banking services through your bank's mobile application on your smartphone. Mobile banking has become quite prominent in the last few years. One feature of mobile banking that has changed digital banking is the advent of mobile wallets.

3.7. Advantages of Digital Banking

- Convenience

The fact of the matter is that digital banking is way more convenient for most users. They can access these features remotely from anywhere in the world, whenever they want. They do not need to take time out of their schedules to visit a physical branch to deposit or withdraw money.

- Ease of Signing up

Digital banks are also a lot easier to sign up for. Users can create an account in these banks in just a few minutes by entering their details online.

- Higher Interest Rates/ Lower Fees

Since many digital banks need physical locations to maintain, they save a lot of operational and maintenance costs. As a result, they may offer higher interest rates, lower fees, or both. Not all digital banks provide these features, however. They are usually seen in new-age banks.

- Personalised Features

Digital banks offer more personalised features. These features may include bill payment reminders, saving money for a big purchase, personalised weekly budgets, etc.

- Rewards

Digital banking solutions also offer rewards like cash-back or coupons for e-commerce websites for transactions you make through them. Digital banking comes with benefits that go beyond this; check this out to know more.

Disadvantages of digital banking

- Security Risks:

Digital banking platforms face persistent security threats like phishing scams, malware attacks, identity theft, and data breaches, despite robust measures and evolving cybercriminals.

- Technical Issues:

Digital banking services may face technical glitches, system downtimes, or maintenance disruptions, causing customer inconvenience, affecting account access, transaction processing, and user experience.

- Privacy Concerns:

Digital banking processes vast amounts of personal and financial data, raising privacy and data protection concerns due to increased frequency of data breaches and unauthorized access incidents.

- Fraudulent Activities:

Digital banking platforms are susceptible to financial fraud, despite anti-fraud measures, posing a persistent threat to customers and banks, potentially causing financial losses.

3.8. Customer Experience

As its name implies, customer experience in banking refers to a customer's collective experience interacting with various touchpoints, including online banking systems, emails, call centers, online advertising, face-to-face interactions, and even social media.

Digital banking has changed how customers interact with their bank; they want personalized services on their terms and enjoy the convenience of mobile banking. But customer experience isn't just about UX; it's also about service, reliability, honesty and transparency. In this post, we will explore what aspects are valued by digital banks' customers and highlight how digital banks can improve their customer experience and make sure they're not left behind.

They expect their banking experience to deliver:

Innovative solutions so they can interact whenever, wherever and however they like

Immediate resolution of problems

Knowledge of who they are, so they don't have to keep repeating details, via a profile built up over time and sharable across the whole business.

Recognition for loyalty; loyal bank customers made 10 positive comments for every negative one

Protection from situations that may adversely affect their finances

Communication enabled across all their preferred channels and devices

Functionality: apps and systems that work well and allow efficient money management

Trustworthiness: seeing the bank proactively doing the right things

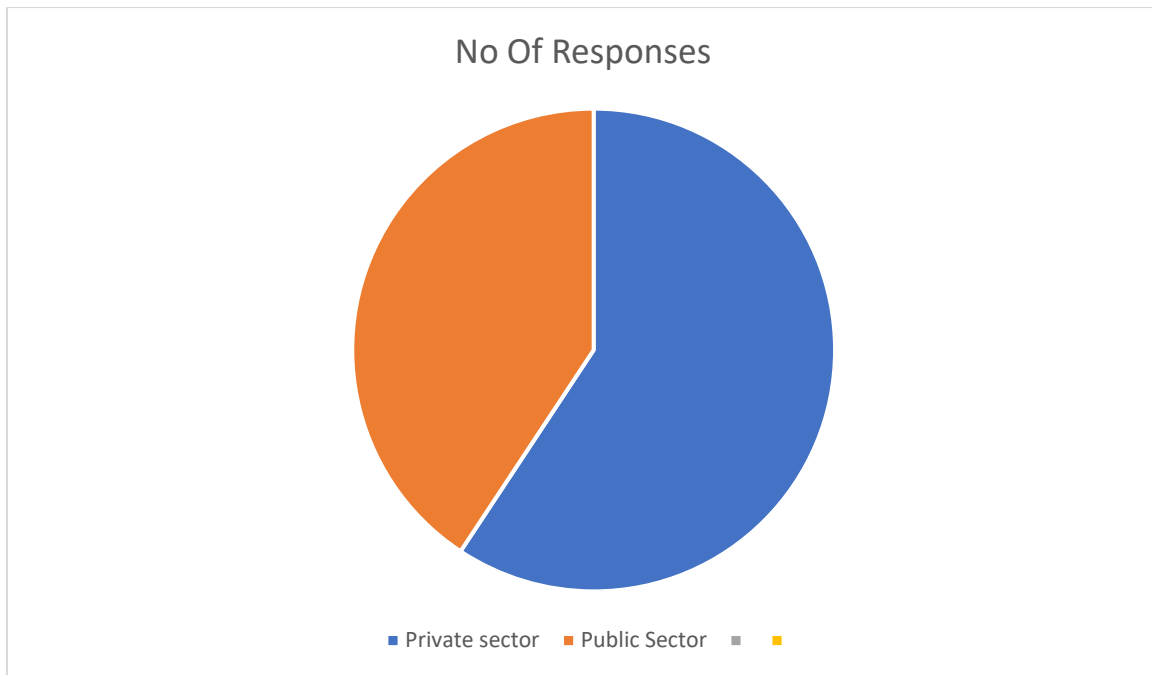
CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

4.1. Classification on the basis of bank

RESPONSES	NO. OF RESPONDENTS	PERCENTAGE
PRIVATE SECTOR	48	59.3%
PUBLIC SECTOR	33	40.7%
TOTAL	81	100%

FIGURE 1



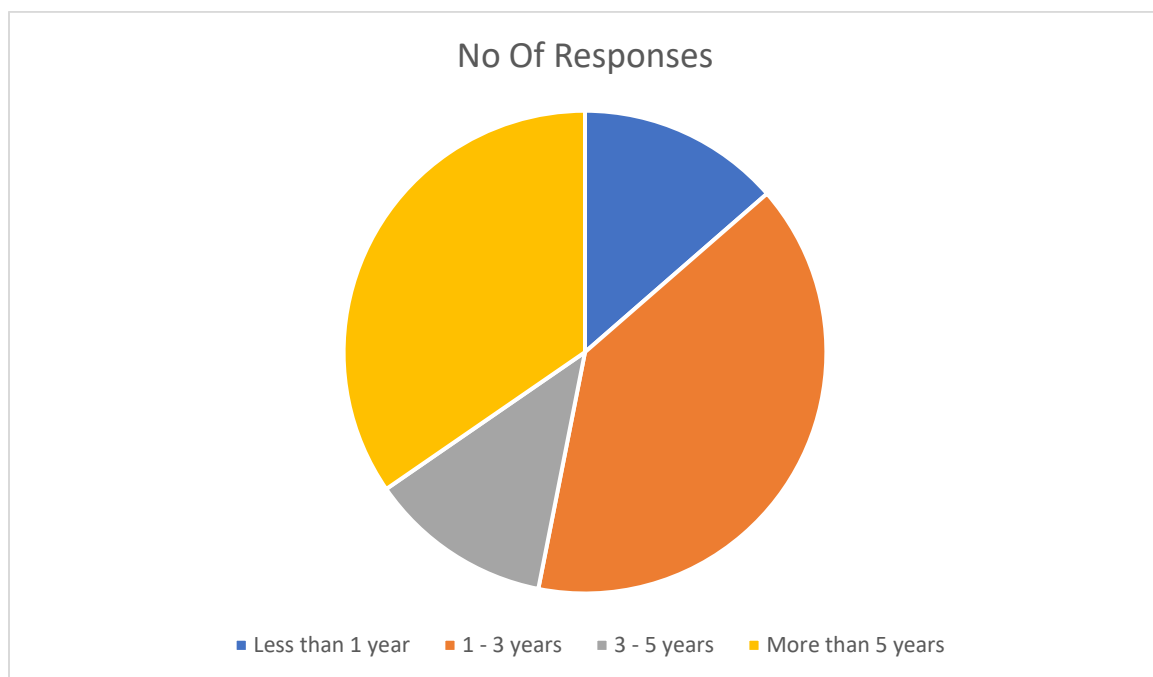
INTERPRETATION

From the above table, private sector banks are most used than public sector banks. They often offer better services, have better technology infrastructure. 59.3% of the respondents are from private sector banks,40.7% response are from public sector banks.

4.2. Classification on the basis of duration being a customer in the bank.

RESPONSES	NO. OF RESPONDENTS	PERCENTAGE
LESS THAN 1 YEAR	11	13.6%
1 – 3 YEARS	32	39.5%
3 – 5 YEARS	10	12.3%
MORE THAN 5 YEARS	28	34.6%
TOTAL	81	100%

FIGURE 2

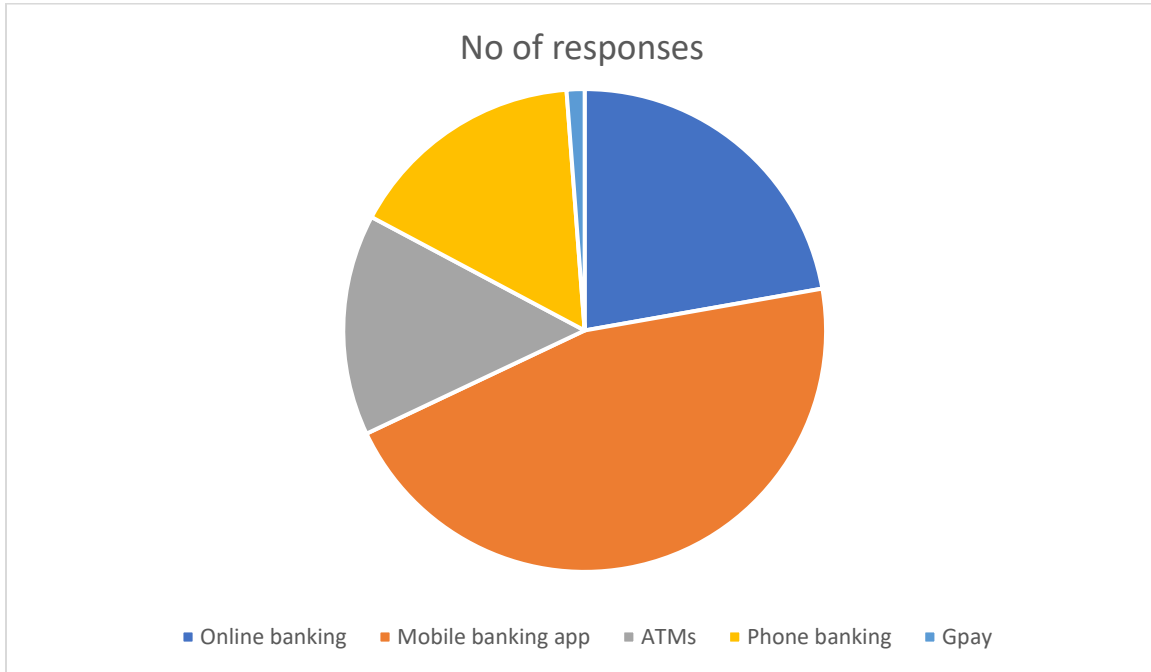


INTERPRETATION

In this above table, 40% customers are using digital banking service for 1 to 3 years, 35% are using the service for more than five years, 14% of users are using less than 1 year, 12% of customers uses 3 to 5 years.

4.3. Frequent use of digital banking services.

FIGURE 3



RESPONSES	NO. OF RESPONDENTS	PERCENTAGE
ONLINE BANKING	18	22.2%
MOBILE BANKING APP	37	45.7%
ATMs	12	14.8%
PHONE PAY	13	16%
GPAY	1	1.2%
TOTAL	81	100%

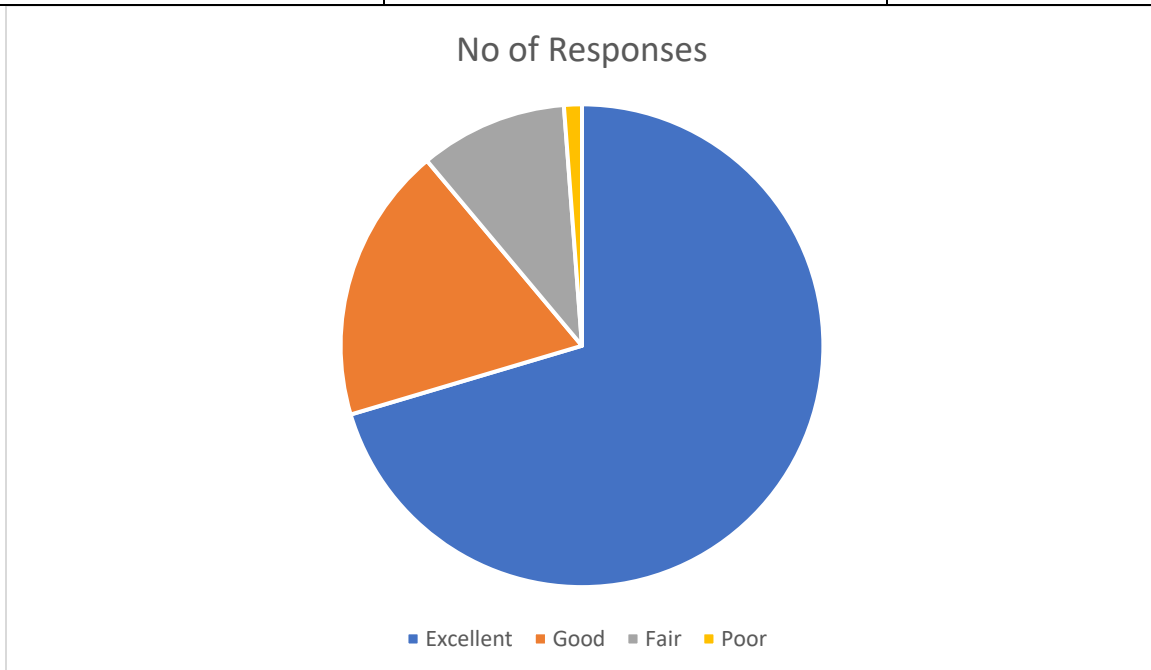
INTERPRETATION

Above mentioned table shows, 46% of respondents uses mobile banking allows consumers to be able to access banking services from anywhere, 22% of respondents uses online banking, 15% of customers uses ATMs, 16% phone banking.

4.4. Security features of the digital banking

FIGURE 4

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
EXCELLENT	15	70.4%
GOOD	57	18.5%
FAIR	8	9.9%
POOR	1	1.2%
TOTAL	81	100%



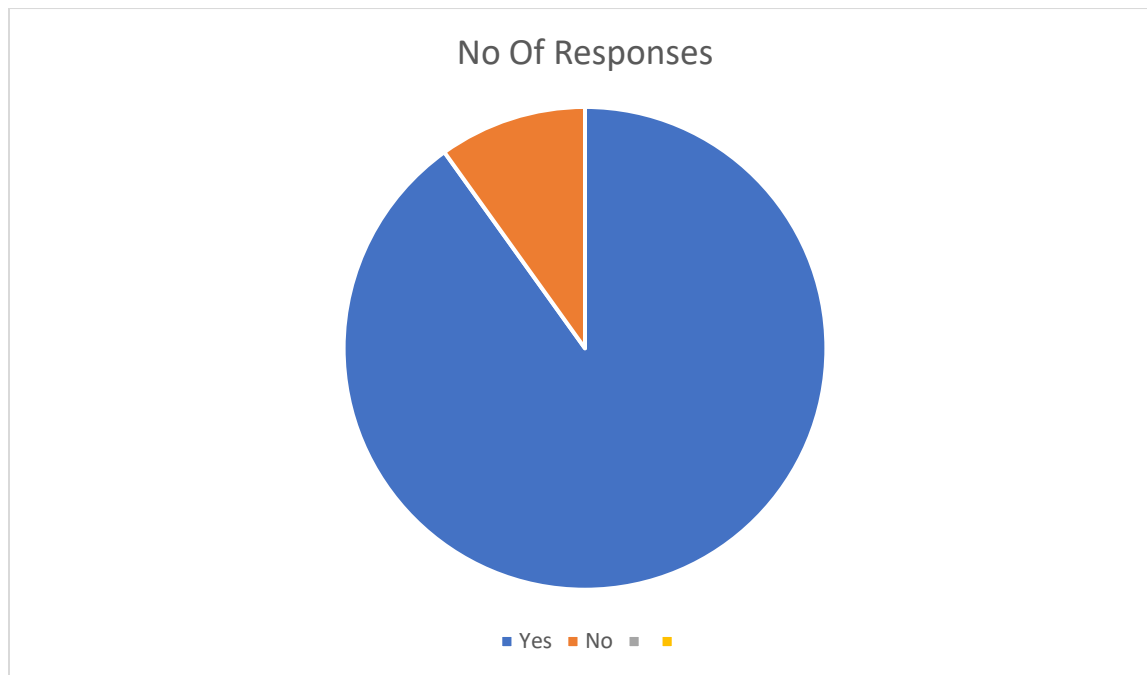
INTERPRETATION

In the abovementioned table, 70% of respondents agree that it has EXCELLENT security features, 19% of respondents agree with GOOD, 10% of respondents agree with fair, 1.2% on poor.

4.5. Management and transfer funds between accounts.

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
YES	73	90.1
NO	8	9.9

FIGURE 5



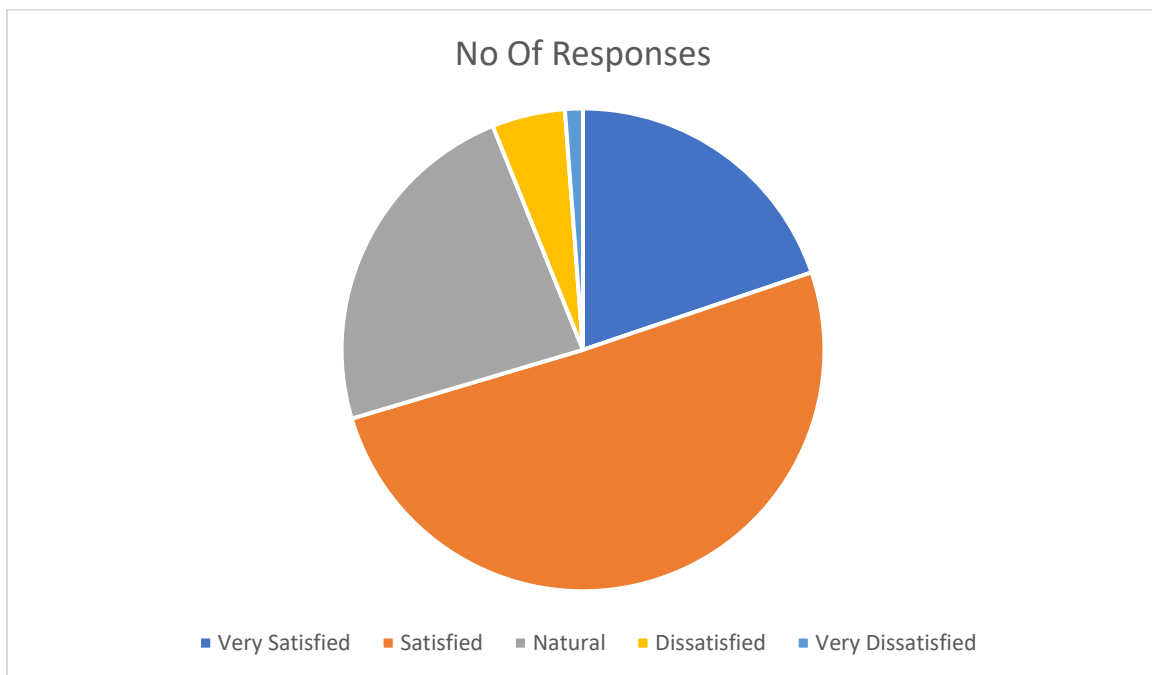
INTERPRETATION

In the above table, it shows the customer can easily transfer funds. 90.1% of respondents agree with YES and 10% with NO.

4.6. Checking account balance

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
VERY SATISFIED	16	19.8
SATISFIED	41	50.6
NEUTRAL	19	23.5
DISSATISFIED	4	4.9
VERY DISSATISFIED	1	1.2
TOTAL	81	100%

FIGURE 6



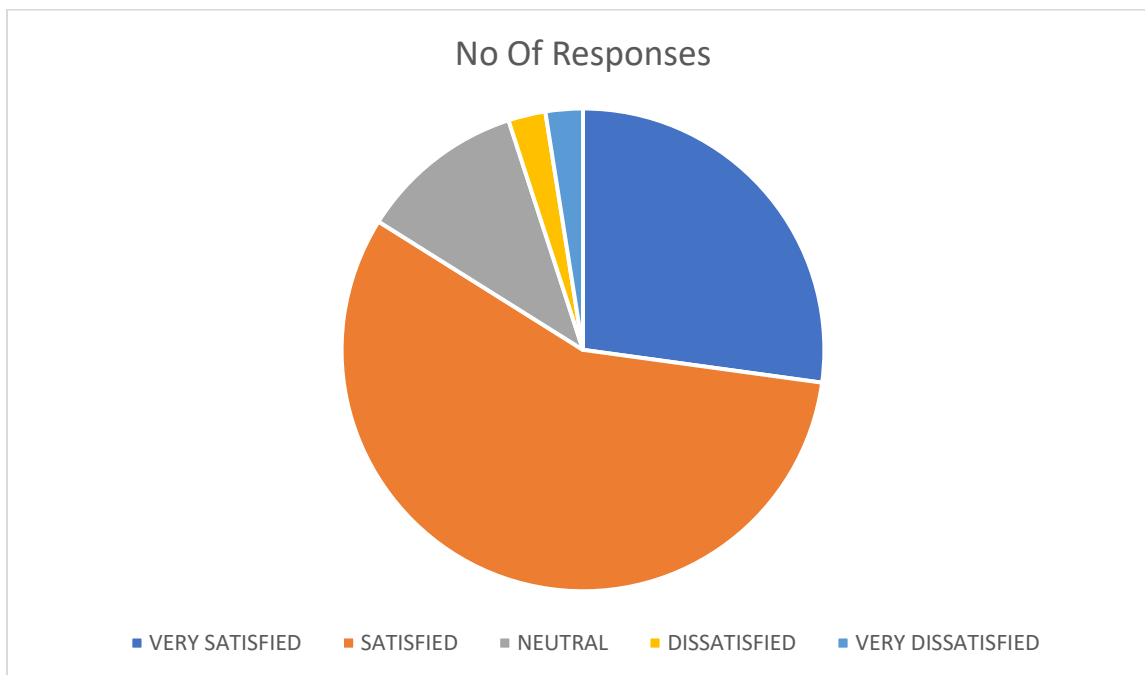
INTERPRETATION

In the above table, 50.6% of respondents is satisfied with the checking of account balance, 23.5% are neutral in opinion, 20% of respondents are very satisfied, 4.9% response are dissatisfied and 1.2% is very dissatisfied.

4.7. Classification on the basis of satisfaction of payments

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
VERY SATISFIED	22	27.2%
SATISFIED	46	56.8%
NEUTRAL	9	11.1%
DISSATISFIED	2	2.5%
VERY DISSATISFIED	2	2.5%
TOTAL	81	100%

FIGURE 7



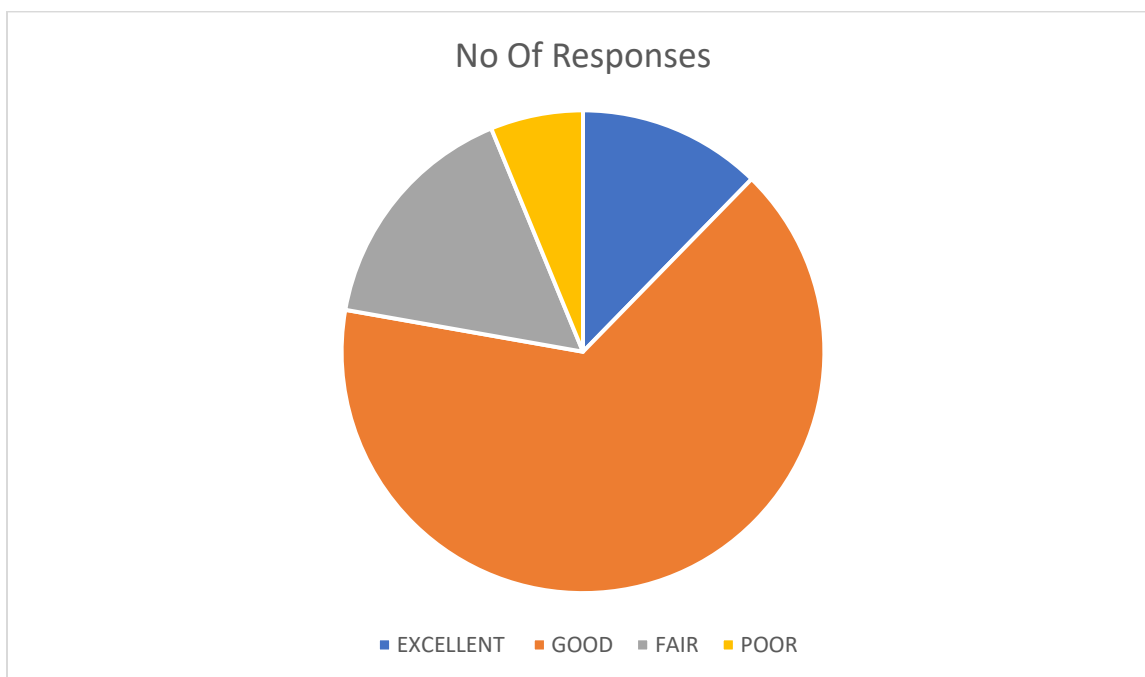
INTERPRETATION

In the above table, 27.2% of respondents agree with very satisfied in making payments it is easy to make payment, 56.8% of respondents are satisfied and 11.1% are neutral in opinion.

4.8. Rating on customer support provided by digital banking.

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
EXCELLENT	10	12.3%
GOOD	53	65.4%
FAIR	13	16%
POOR	5	6.2%
TOTAL	81	100%

FIGURE 8



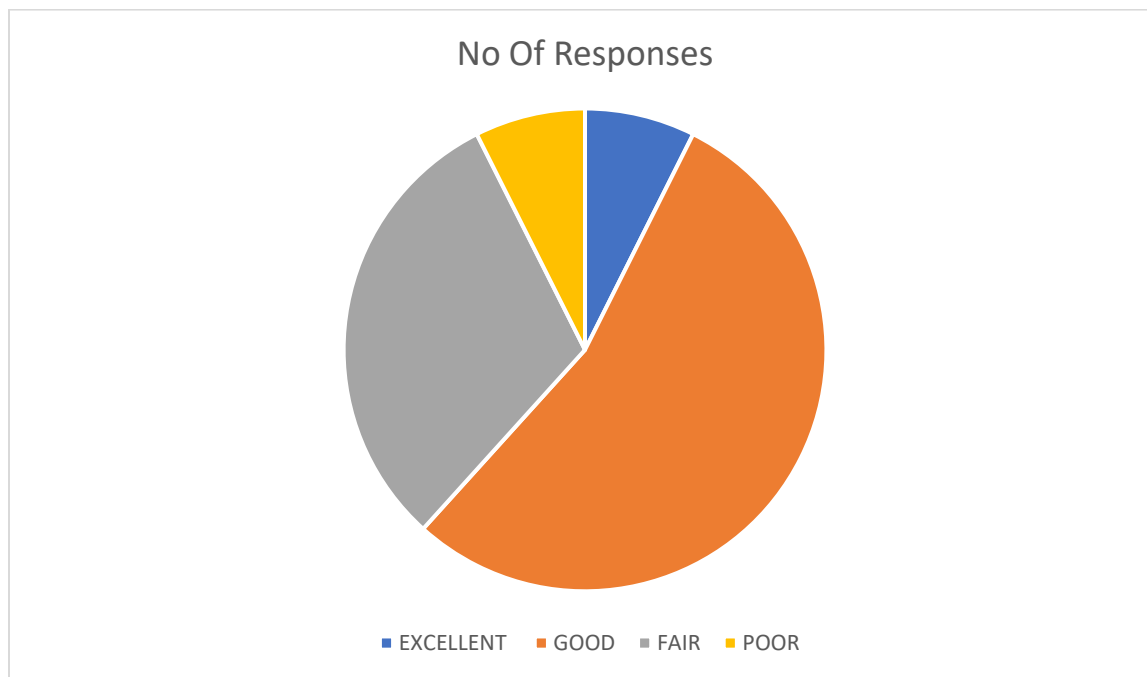
INTERPRETATION

In the above table, 12.3% of respondents agree with excellent in supports provided for digital banking, 65.4% of respondents agrees with good, 16% of responses with fair and 6.2% on poor.

4.9. Experiencing system downtimes and slow performance.

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
EXCELLENT	6	7.4%
GOOD	44	54.3%
FAIR	25	30.9%
POOR	6	7.4%
TOTAL	81	100%

FIGURE 9



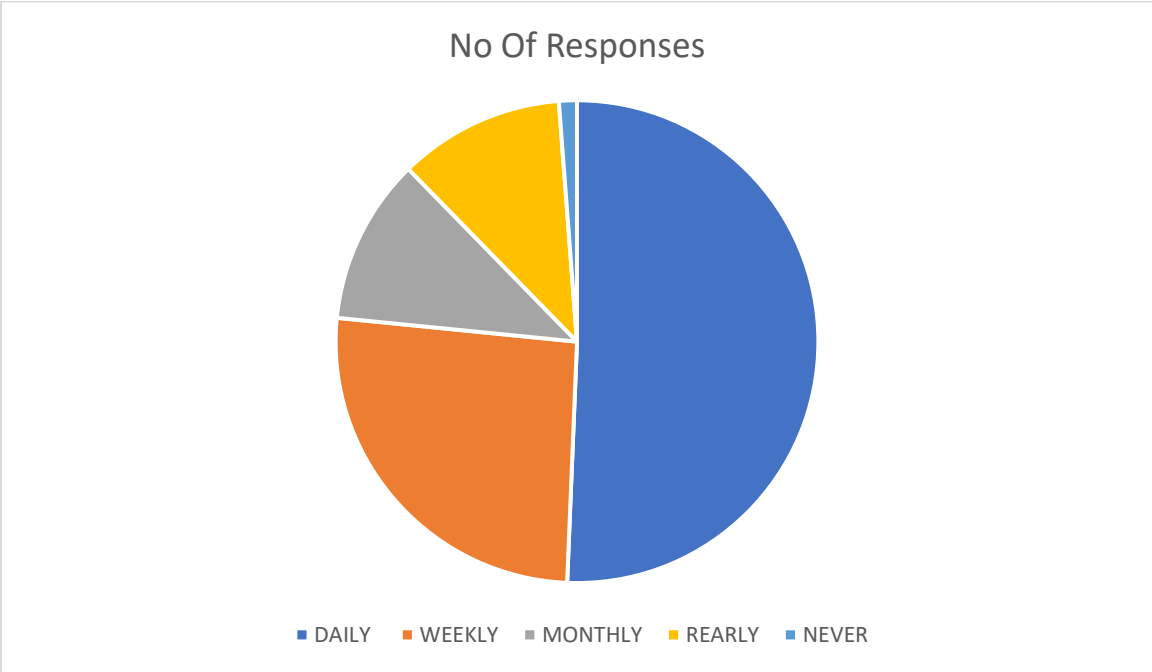
INTERPRETATION

In the above table, 54.3%(Good) of respondents agrees with the system downtimes or slow performance due to low internet support, 30.9% respondents on fair and 7.4% of responses agrees to both excellent and poor.

4.10. Table showing usage of digital banking services.

RESPONSES	NO OF RESPONDENTS	PERCENTAGE
DAILY	41	50.6%
WEEKLY	21	25.9%
MONTHLY	9	11.1%
REARLY	9	11.1%
NEVER	1	1.2%
TOTAL	81	100%

FIGURE 10



INTERPRETATION

In the above table, 50.6% of respondents uses the digital banking services daily that it is easy to monitor your banks account, 25.9% of respondents agrees with the weekly usage, 11.1% of responses are in both monthly and rearly and 1.25 on never.

CHAPTER 5
FINDINGS, SUGGESTIONS, CONCLUSION

5.1. FINDINGS

1. Majority of respondents (59.3%) supports and uses Private Sector Banks than Public Sector Banks with (40.7%).
2. The duration analysis reveals that 40% of respondents have been customer for 1 – 3 years, indicating a relatively recent adoption by a significant portion.
3. The majority of respondents (46%) primarily use Mobile Banking Apps.
4. Most of the respondents (70%) in security features of digital banking is good, only 1% of respondents is poor.
5. 90.1% of respondents uses digital banking for transferring money between accounts.
6. Checking account balances is the most common purpose, with 50.6% of respondents engaging in this activity.
7. The satisfaction research shows that 56.8% of participants are content with digital banking payments.
8. Majority of respondents 65% agrees with good rating in customer support towards digital banking.
9. A significant portion of respondents 54.3% (Good), 7.4% being excellent and poor.
10. A notable 50.6% of respondents use digital banking services daily, highlighting a high frequency of usage, while 26% use it weekly and 11% use it monthly.

5.2. SUGGESTIONS

Here are some suggestions to enhance the effectiveness of your study:

- Decide which particular facets of the user experience such as usability, security, accessibility, and general satisfaction you want to look into.
- The study aims to analyze typical customer journeys in digital banking, including account setup, transaction processes, issue resolution, and customer support interactions, to identify areas for improvement.

- The study explores the influence of emerging technologies like AI, chatbots, and biometric authentication on customer experience and evaluates their adoption.
- The analysis of customer feedback from social media, review platforms, and customer support interactions can offer valuable qualitative insights into customer sentiments and concerns.

5.3. CONCLUSION

Ultimately, I draw the conclusion that banks must develop, maintain, and emphasise alluring aspects of e-banking in order to draw in and keep consumers in light of the growing competition and need to reduce costs. The findings also indicate that consumers' perceptions of the e-banking services and products offered by public and private sector banks differ significantly; they are dissatisfied with the quality and cost of the services provided by public sector banks. In order to meet the needs of their clients, public sector banks must thus step up and advance in terms of using cutting-edge technology and providing a range of e-banking services together with excellent customer support.

When creating an account, the majority of respondents who work in the public and private sectors are aware of the availability of online banking services. It may also be inferred from this that respondents from the private sector are more knowledgeable about e-banking options than those from public sector institutions.

Comparing customer experiences across different sectors has identified key differences and similarities, revealing areas where one sector excels and vice versa. This analysis provides a nuanced understanding of customer preferences and behaviors, and highlights potential areas for innovation and enhancement in digital banking services. The study emphasizes the importance of considering demographic differences, emerging technologies, and regulatory influences when evaluating the digital banking landscape. These factors influence customer perceptions and behaviors, and banks must adapt their strategies to remain competitive. The findings offer valuable insights for both private and public sector banks to improve customer experience in digital banking. By prioritizing customer-centricity and continuously evolving digital offerings, banks can strengthen customer relationships and drive engagement.

QUESTIONNAIRE

- 1) What is your age group?
 - a) Below 20
 - b) 20 – 30
 - c) 30 – 40
 - d) 40 – 50
 - e) Above 50

- 2) Which type of bank do you primarily use for your banking needs?
 - a) Public sector bank
 - b) Private sector bank

- 3) How long have you been a customer of the bank for primary use?
 - a) Less than 1 year
 - b) 1-3 years
 - c) 3-5 years
 - d) More than 5 years

- 4) How often do you use digital banking services?
 - a) Daily

- b) Weekly
- c) Monthly
- d) Rarely
- e) Never

5) Which digital banking services do you frequently use?

- a) Online banking
- b) Mobile banking app
- c) ATMs
- d) Phone banking
- e) Other

Customer Experience on Digital Banking

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
1. Rate of ease of navigation in the digital banking platform.					
2. Rate the bank's communication regarding updates, promotions, or changes to digital banking services.					
3. Level of innovation in					

the digital banking services of the bank.					
4. Rate of the availability and usefulness of educational resources or guides for using digital banking services.					
5. Bank's efforts in promoting digital literacy and encouraging the use of digital banking services.					
6. Customization options available for personalizing your digital banking experience.					
7. Bank's integration of emerging technologies (e.g., AI, chatbots) to enhance the digital banking experience.					
8. Bank's efforts in ensuring accessibility and inclusivity in their digital					

banking Services.					
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Customer Satisfaction on Digital Banking

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
1. User interface of the digital banking platform you use					
2. Speed and responsiveness of the digital banking platform					
3. Level of personal data security provided by the digital banking platform					
4. Availability of customer support for digital banking-related queries or issues					
5. Rate the range of digital banking services offered by the bank					
6. Transparency of fees and charges related					

to digital banking services					
7. Speed and efficiency of digital transactions (e.g., transfers, payments, etc.)					
8. The availability of new features and updates in the digital banking platform					

Customer Problems on Digital Banking

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
1. Security features of the digital banking platform					
2. Hidden fees or unexpected charges related to digital banking services					
3. Technical issues or glitches while using the digital					

banking platform					
4. Problems while using digital banking services					
5. Overall user friendliness of the digital banking platform					
6. Issues related to transactions, such as delays, incorrect amounts, or failed transactions					
7. Customer support provided for digital banking issues					
8. Difficulty to navigate or use effectively					