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# Study on User Experience and Effectiveness of Digital Banking Services in Indian Overseas Bank (IOB)

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**Abstract--** Digital banking has emerged as a cornerstone of modern financial services, providing customers with seamless, efficient, and secure access to banking operations. This study examines how users of Indian Overseas Bank (IOB) adopt and engage with digital banking platforms and explores their satisfaction levels regarding usability, accessibility, and support. Data was collected from customers of IOB's Bypass Branch in Madurai to analyze usage frequency, demographic influences, and perceived service quality. The findings reveal that younger, urban, and educated customers exhibit higher adoption rates, driven by convenience and reliability, while senior and rural users face challenges related to digital literacy and technical issues. The study concludes that improving customer support, ensuring stronger cybersecurity, and simplifying user interfaces are crucial to enhancing overall satisfaction and digital engagement in public sector banking.

**Keywords--**Digital Banking, User Experience, Customer Satisfaction, Adoption, Usability, Accessibility, Technical Support, Cybersecurity, IOB.

## I. INTRODUCTION

Digital technology has revolutionized the banking sector by making financial services faster, more convenient, and accessible anytime, anywhere. Indian Overseas Bank (IOB), established in 1937, has been a pioneer among public sector banks in adopting digital innovations such as Internet Banking, Mobile Banking, and UPI platforms. These services enable customers to perform transactions, pay bills, and manage accounts efficiently without visiting branches. However, despite these advancements, certain challenges persist. Many users, especially senior citizens and rural customers, face issues like fear of online fraud, technical glitches, and limited digital awareness. Understanding how customers adopt and experience these digital services is crucial for improving accessibility and satisfaction. Hence, this study focuses on analyzing user adoption and customer satisfaction with IOB's digital banking services to identify key strengths and areas for improvement.

## II. OBJECTIVES

- *To Examine User Adoption and Engagement*  
Analyze how different user groups (age, gender, education level) adopt and use digital banking services.
- *To Explore Customer Experiences and Satisfaction*  
Investigate user satisfaction levels and preferences related to usability, features, support, and overall experience.

## III. REVIEW OF LITERATURE

1. *Afolabi et al. (2020)* concluded that digital banking enhances satisfaction when supported by strong security and service reliability.
2. *Aisha & Rakesh (2022)* highlighted that convenience is the main driver of adoption, while trust issues and literacy gaps act as barriers.
3. *Gupta (2020)* found that customer perception in India is shaped by ease of use and trust, with younger customers showing higher adoption.
4. *Singh & Arora (2021)* observed that digital banking in public sector banks improves outreach but faces limitations in rural and senior populations.
5. *Global studies (Deloitte, 2022; KPMG, 2023; PwC, 2024)* emphasize that digital success depends on user-friendly design, reliability, and trust-building measures.
6. *RBI (2023) and World Bank (2023)* underline that digital banking plays a key role in financial inclusion but requires stronger literacy programs and infrastructure support.
7. *Indian Overseas Bank (2025)* aligns with these trends by offering mobile banking, internet banking, and UPI services to improve customer convenience and access.
8. *Kumar & Sharma (2021)* found that customer satisfaction in digital banking depends heavily on ease of use, transaction speed, and reliability. Users prefer banks that ensure smooth, error-free digital experiences.



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9. *Rajesh & Thomas (2022)* reported that awareness campaigns and user education significantly improve adoption of online banking in semi-urban areas, reducing hesitation among older and less tech-savvy customers.
10. *Mehta & Bansal (2023)* emphasized that personalization features—like spending insights and instant support—enhance customer engagement and loyalty toward digital platforms.

- ✓ *Secondary Data:* Not used; the study relies solely on firsthand responses for originality.

*Sampling Design*

- ✓ *Population:* 28,460 digital banking customers of IOB, Bye-Pass Road Branch, Madurai.
- ✓ *Sample Size:* 159 respondents.
- ✓ *Method:* Convenience sampling, based on respondent availability and willingness.

**IV. RESEARCH METHODOLOGY**

*Research Design*

The study adopts a descriptive research design to systematically analyze customer perceptions, satisfaction, and challenges with IOB’s digital banking. This design helps identify patterns of adoption and evaluate service effectiveness based on feedback.

*Sources of Data*

- ✓ *Primary Data:* Collected through a structured questionnaire covering demographics, usage, satisfaction, and challenges.

*Data Collection Tool*

A structured questionnaire divided into four parts: demographics, digital usage, perceptions & satisfaction, and challenges.

*Data Analysis Techniques*

- ✓ *Descriptive Statistics:* Used to present frequencies, percentages, and trends in digital banking adoption.
- ✓ *Cross Tabulation:* Explored relationships between ease of getting technical support and overall experience.
- ✓ *Chi-Square Test:* Applied at 5% significance level to test associations between variables like demographics, ease of use, and satisfaction.

**V. DATA ANALYSIS AND INTERPRETATION**

*Percentage analysis*

**Table Showing Age Distribution of Respondents**

		Frequency	Percent
Valid	18–24	55	34.6
	25–34	46	28.9
	35–44	26	16.4
	45–54	24	15.1
	55–64	5	3.1
	Above 64	2	1.3
	Under 18	1	.6
	<b>Total</b>	<b>159</b>	<b>100.0</b>

*Interpretation*

Most digital banking users belong to the 18–34 age group, which together makes up about 63.5% of the respondents, showing strong adoption among younger adults.

Users aged 35–54 form a moderate share, indicating growing acceptance in middle age groups. However, participation drops sharply among those above 55, suggesting that senior citizens are less comfortable with digital platforms due to limited digital awareness and technical challenges.

*CHI-SQUARE TEST*

**Table Showing Relationship between Ease of Getting Technical Support and Overall Experience with Digital Banking**

			How would you rate your overall experience with digital banking1					Total
			Average	Excellent	Good	Poor	Very Poor	
How easy is it to get technical support when issues arise1	Difficult	Count	2	1	4	2	1	10
		% within	20.0%	10.0%	40.0%	20.0%	10.0%	100.0%
		How easy is it to get technical support when issues arise1						
	Easy	Count	15	12	44	1	0	72
		% within	20.8%	16.7%	61.1%	1.4%	0.0%	100.0%
		How easy is it to get technical support when issues arise1						
	Neutral	Count	10	7	26	0	0	43
		% within	23.3%	16.3%	60.5%	0.0%	0.0%	100.0%
		How easy is it to get technical support when issues arise1						
	Very Difficult	Count	2	1	0	0	0	3
		% within	66.7%	33.3%	0.0%	0.0%	0.0%	100.0%
		How easy is it to get technical support when issues arise1						
Very Easy	Count	6	21	4	0	0	31	
	% within	19.4%	67.7%	12.9%	0.0%	0.0%	100.0%	
	How easy is it to get technical support when issues arise1							
Total	Count	35	42	78	3	1	159	
	% within	22.0%	26.4%	49.1%	1.9%	0.6%	100.0%	
	How easy is it to get technical support when issues arise1							

*Interpretation*

Users who find it easy or very easy to access technical support report a highly positive experience, with most rating the service as “Good” or “Excellent.” In contrast, those who face difficulty in getting support tend to have lower satisfaction, often rating their experience as “Poor” or “Very Poor.” Users with neutral opinions generally have moderate satisfaction levels. This indicates that efficient and responsive technical support plays a major role in enhancing overall user satisfaction with digital banking services.

*Null Hypothesis (H<sub>0</sub>):*

There is **no significant association** between how easy it is to get technical support when issues arise and the overall experience with digital banking.

*Alternative Hypothesis (H<sub>1</sub>):*

There is a **significant association** between how easy it is to get technical support when issues arise and the overall experience with digital banking.

**Chi-Square Tests**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	75.300 <sup>a</sup>	16	<.001
Likelihood Ratio	54.454	16	<.001
Linear-by-Linear Association	12.281	1	<.001
N of Valid Cases	159		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .02.

*Based on the Pearson Chi-Square Test:*

- ✓ Pearson Chi-Square value = 75.300
- ✓ Degrees of freedom (df) = 16
- ✓ p-value (Asymptotic Significance) < 0.001
- ✓ Significance level ( $\alpha$ ) = 0.05

Since **p < 0.001 < 0.05**,

*Reject the null hypothesis.*

*Conclusion:*

There is a **significant association** between how easy it is to get technical support when issues arise and the overall experience with digital banking.

**VI. FINDINGS**

- ✓ Most digital banking users are from the 18–34 age group, showing that younger customers are the primary adopters of IOB’s digital services.
- ✓ The use of mobile banking and UPI is higher than internet banking due to ease of access and quick transactions.

- ✓ Customers who find technical support easy to access report higher satisfaction and better overall experiences.
- ✓ Fear of fraud, technical glitches, and low digital literacy continue to be key barriers, especially among older users.
- ✓ The chi-square test confirms a significant relationship between the ease of getting technical support and overall satisfaction with digital banking.
- ✓ Most users rate IOB’s digital platforms as “Good” or “Excellent,” reflecting trust and satisfaction with the services.

**VII. SUGGESTIONS**

- ✓ *Improve Technical Support:* Provide 24/7 live chat and faster response systems to assist users effectively.
- ✓ *Enhance Digital Literacy:* Conduct awareness programs and workshops for senior and rural customers to promote confidence in digital banking.
- ✓ *Strengthen Security:* Implement advanced authentication methods and educate users about safe online banking practices.



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- ✓ *Upgrade App Performance*: Ensure stable connectivity, faster processing, and regular updates to minimize technical issues.
- ✓ *Introduce Multilingual Options*: Add regional language support to make digital services more inclusive and user-friendly.

### VIII. CONCLUSION

The study reveals that digital banking services at Indian Overseas Bank (IOB) have significantly improved convenience, accessibility, and customer engagement. Most users, particularly younger and urban customers, actively use digital platforms like Internet Banking, Mobile Banking, and UPI for quick and secure transactions. However, some challenges remain for older and rural customers who struggle with limited digital knowledge, technical issues, and security concerns.

Customers who find the platforms easy to use and receive timely technical support show higher satisfaction levels. To further enhance the user experience, IOB should focus on improving system reliability, strengthening cybersecurity measures, expanding digital literacy programs, and ensuring responsive customer support. These efforts will help increase customer trust and encourage broader participation in digital banking services.

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