

## ABSTRACT

The rapid advancement of digital technology has transformed the landscape of the Indian banking sector, redefining customer interaction, service delivery, and operational efficiency. Online banking has emerged as a vital component of this transformation, offering accessibility, convenience, and real-time financial transactions. Within this changing paradigm, the present study titled “An Analytical Study on Customer Satisfaction towards Online Banking Services for Selected Public Sector and Private Sector Banks: Special Reference to Gujarat State” focuses on examining and comparing customer satisfaction levels across selected banks in Gujarat. The study further aims to identify the key determinants influencing satisfaction, explore the effect of demographic variables, and suggest strategies for enhancing online banking service quality.

The research adopts a descriptive and analytical design, utilizing both primary and secondary data sources. Primary data was collected through a structured questionnaire administered to 525 respondents from five major cities of Gujarat—Ahmedabad, Rajkot, Surat, Baroda, and Bhavnagar. Respondents represented diverse demographic categories, ensuring comprehensive coverage of user perceptions. The study focuses on six major banks—three public sector banks (State Bank of India, Bank of Baroda, and Punjab National Bank) and three private sector banks (HDFC Bank, ICICI Bank, and Axis Bank). The questionnaire was designed to measure satisfaction across multiple dimensions, including user-friendliness, transaction efficiency, visual appeal, service availability, accuracy of information, security perception, and customer support quality. Secondary data was obtained from bank reports, RBI publications, academic journals, and official websites to reinforce the study’s conceptual foundation.

To analyze the data, a range of statistical tools and techniques was applied using SPSS software. Descriptive statistics were employed to summarize demographic patterns and basic trends in online banking usage. Chi-square tests examined associations between categorical variables such as bank type and issues faced by customers. Independent Sample t-tests were used to compare satisfaction levels between public and private sector banks, while One-Way ANOVA was applied to assess the influence of demographic variables like age, education, occupation, income, and city on satisfaction levels. Furthermore, Pearson’s correlation analysis was utilized to identify the strength and direction of relationships between major satisfaction

dimensions—such as security, responsiveness, and accuracy of information. These tools collectively ensured a robust, empirical evaluation of customer satisfaction determinants.

The findings reveal that online banking services in Gujarat are widely adopted and positively perceived across different demographic segments. Customers appreciate the convenience, accessibility, and time efficiency of online banking. The analysis indicates that demographic variables such as age, gender, income, and education exert minimal influence on satisfaction, suggesting that digital banking has achieved broad-based acceptance. However, minor variations were observed across different cities, implying that local infrastructure and connectivity may slightly affect satisfaction levels.

The Independent Sample t-test results indicate no statistically significant difference in the overall satisfaction between public and private sector banks. Nevertheless, private sector banks demonstrate marginally higher performance in visual design, responsiveness, and service speed, whereas public sector banks show stronger reliability, security perception, and wider accessibility. The ANOVA results further confirmed that occupational and income differences do not significantly influence satisfaction levels. The Chi-square test identified that both sectors face similar technical issues, such as server downtime, login errors, and transaction delays, emphasizing the need for consistent digital infrastructure. Correlation analysis revealed strong positive relationships between satisfaction and perceived security ( $r = 0.73$ ), responsiveness ( $r = 0.69$ ), and accuracy of information ( $r = 0.65$ ), signifying that these factors are the primary drivers of customer satisfaction.

The study concludes that technological efficiency, security assurance, and responsive service delivery are the key determinants of satisfaction in online banking. Customers' trust in digital platforms largely depends on system reliability, privacy protection, and interface usability. While private banks lead in innovation and digital aesthetics, public banks continue to hold an advantage in credibility and accessibility. Thus, both sectors exhibit complementary strengths that can collectively enhance the customer experience.

Based on the findings, the study recommends several strategies for improving satisfaction levels. Banks should prioritize cybersecurity enhancement through multi-layer authentication and AI-based fraud detection, improve user interface design for intuitive navigation, and strengthen customer support systems through 24×7 assistance and chatbot integration. Periodic

digital literacy initiatives should also be organized, particularly targeting semi-urban and older populations. Furthermore, banks should adopt data analytics tools to monitor user behavior, predict service needs, and personalize experiences. By focusing on security, innovation, and personalization, banks can achieve higher satisfaction and foster stronger digital engagement.

In conclusion, this analytical study highlights that customer satisfaction in online banking is primarily driven by service quality, technological performance, and user confidence rather than demographic differences or institutional ownership. Both public and private sector banks have achieved commendable progress in their digital transformation journeys. However, sustainable satisfaction will depend on continuous technological upgrades, customer feedback integration, and personalized service delivery. The study contributes significantly to academic literature and provides practical insights for policymakers, banking professionals, and system developers. It underscores that a secure, user-friendly, and responsive digital environment is crucial to achieving lasting customer satisfaction and advancing financial inclusion in Gujarat and beyond.

**Keywords:**

Online Banking, Customer Satisfaction, Public Sector Banks, Private Sector Banks, Gujarat, Service Quality, SPSS, Descriptive Statistics, Chi-Square Test, Independent Sample t-Test, One-Way ANOVA, Pearson Correlation, Cybersecurity, Responsiveness, User Experience, Customer Trust, Digital Transformation, Financial Inclusion.