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Customer Perception and Satisfaction in the Era of Digital Banking: A Study with Reference to State Bank of India in Mumbai Suburban Region

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Abstract

The rapid digital transformation of the Indian banking sector has redefined customer experiences and service expectations. This study investigates customer perception and satisfaction toward digital banking services provided by the State Bank of India (SBI) in the Mumbai Suburban Region, emphasizing how technology-driven innovations influence banking behaviour and service evaluation. The research aims to assess the extent to which convenience, security, accessibility, responsiveness, and reliability affect overall customer satisfaction. A descriptive research design was adopted, and data were collected from 500 respondents through a structured questionnaire. Statistical tools such as mean analysis, correlation, and ANOVA were employed to identify key determinants of satisfaction and to test the relationship between demographic variables and customer perception. The findings reveal that customers exhibit a positive attitude toward digital banking, largely due to ease of access and time efficiency. However, concerns persist regarding data privacy, cyber-security, and personalized service support. The results underscore the need for continuous technological improvement, robust security frameworks, and enhanced customer education to strengthen trust and loyalty. This paper contributes to the existing body of literature by offering empirical insights into the digital banking experience of urban Indian customers and provides policy implications for banks seeking to optimize customer satisfaction in an increasingly digitalized financial environment.

Keywords: Digital Banking, Customer Perception, Customer Satisfaction, State Bank of India, Financial Technology, Mumbai Suburban Region

Introduction

Technological innovation has revolutionized the Indian banking sector, reshaping how customers access, transact, and evaluate financial services. Internet and digital banking have emerged as pivotal tools for enhancing customer convenience, satisfaction, and loyalty. The Information Technology Act of 1999 marked a milestone in legitimizing and accelerating digital transformation across Indian banks.

Initially pioneered by private sector players such as ICICI Bank in 1996, digital banking has since become integral to public sector banks, particularly the State Bank of India (SBI). As the nation's largest bank, SBI's digital expansion through platforms like YONO and its robust Internet banking services has significantly improved customer reach, service speed, and cost efficiency. In the Mumbai Suburban Region, where digital literacy and smartphone penetration are high, understanding customer perception and satisfaction towards these services becomes both timely and crucial.

Digital banking offers a dual advantage: it minimizes operational costs for banks while maximizing convenience, accessibility, and transparency for customers. Yet, rising expectations, cybersecurity concerns, and competitive pressures make it essential for SBI to continuously evaluate how its digital services meet or exceed customer expectations. Measuring these perceptions provides insights into the determinants of loyalty, trust, and sustained adoption.

In this era of "instant banking," the customer is the focal point of service strategy. Hence, assessing customer satisfaction with SBI's digital offerings not only aids in performance benchmarking but also guides improvements in user experience, service design, and financial inclusion.

With the rapid globalization of the Indian economy and the liberalization of its financial sector, enterprises today operate in a highly competitive and technology-driven environment. Organizations across industries are redefining their competitive strategies by enhancing customer value through superior service, product differentiation, speed, and efficiency. The banking sector—being the backbone of any modern economy—has witnessed one of the most significant transformations in this regard. Technology has emerged as the primary enabler of growth, service innovation, and customer satisfaction in the Indian banking landscape.

Digitalization and the Era of E-Banking

The last two decades have marked a paradigm shift in banking operations from conventional branch-based systems to electronic and digital interfaces. In the early 1990s, the Internet began to be used for commercial purposes, leading to the emergence of Internet banking worldwide.

Globalization and deregulation opened Indian markets to foreign competition, compelling domestic banks to modernize their processes. The post-liberalization period saw raapid adoption of Information and Communication Technology (ICT) within the financial services industry. Indian banks began deploying sophisticated software solutions to manage vast operations efficiently, reduce transaction costs, and provide value-added digital services to customers. The advent of e-banking and mobile banking has since revolutionized service delivery, offering seamless and paperless experiences that transcend geographical boundaries.

E-Banking: Convenience, Cost-Effectiveness, and Connectivity

E-banking or digital banking enables customers to access financial services anywhere and anytime through the Internet. It provides round-the-clock availability, fast transaction speed, real-time account updates, and a wide array of online functionalities—ranging from fund transfers, bill payments, and investment management to loan applications and insurance premium payments. For banks, this translates into reduced dependency on physical branches, lower operational costs, and improved staff efficiency. The cost of offering services online is only a fraction of maintaining traditional infrastructure, making digital banking a win-win proposition for both institutions and customers.

Furthermore, e-banking fosters mass customization—offering personalized and user-specific services that cater to varied customer preferences. Digital channels allow banks to target different demographic segments effectively and strengthen relationships through tailored communication, loyalty programs, and instant service delivery. The rise of FinTech partnerships, UPI-based payments, and mobile applications such as SBI's YONO platform further underline how technology is redefining convenience and financial inclusion in India.

Challenges and Security Concerns

Despite its multiple benefits, the adoption of Internet banking is accompanied by certain challenges—most notably, security and privacy concerns. The lack of trust in public networks and fear of data breaches often deter customers from fully embracing online banking. Security threats such as identity theft, hacking, and phishing necessitate robust countermeasures. To build and maintain customer confidence, banks employ advanced technological safeguards such as two-factor authentication, encryption protocols, firewalls, and secure login systems. These mechanisms ensure confidentiality, integrity, and authenticity of transactions, thereby protecting both banks and customers. Ensuring security and reliability is therefore a key determinant of customer perception and satisfaction in digital banking.

Customer Perception and Satisfaction in the Digital Era

In the era of digital transformation, customer perception—the way individuals interpret the quality, reliability, and ease of use of online banking services—plays a crucial role in determining overall satisfaction and loyalty. Customers today expect fast, error-free, and secure transactions along with responsive support and transparent communication. Satisfaction, therefore, depends not only on technological efficiency but also on how effectively banks manage user experience, trust, and relationship value. In this context, the State Bank of India must continually evaluate and adapt its digital strategies to meet evolving customer expectations, improve trust in online channels, and enhance long-term loyalty.

Relevance of the Study

Given the rapid pace of digital adoption and the rising expectations of customers, assessing customer perception and satisfaction with digital banking services becomes critical for public sector banks like SBI. In metropolitan regions such as Mumbai Suburban, where customers are digitally savvy and service expectations are high, understanding perception patterns can guide SBI's digital marketing, service design, and customer relationship management. Thus, this research focuses on examining how customers perceive SBI's digital platforms, which factors influence their satisfaction, and how demographic and behavioral variations shape their experiences in the Mumbai Suburban Region.

Overview of the State Bank of India (SBI) and its Digital Banking Development

The State Bank of India (SBI), India's largest public sector bank, has played a central role in shaping the country's digital banking landscape. With majority government ownership and a vast branch–ATM footprint, SBI has progressively evolved from a branch-centric institution into a technology-enabled, omni-channel service provider. Its sustained expansion of internet and mobile banking, integration of real-time transfer systems (NEFT/RTGS), deployment of card/ATM and POS networks, and the rollout of app-based platforms have collectively redefined customer experience and service reach.

Evidence from sector studies shows that during the mid-2010s SBI saw significant growth in e-banking infrastructure and usage (ATMs, debit cards, POS, and electronic funds transfers), reflecting regulatory encouragement and rising customer expectations. While those trends document the foundations of SBI's digital scale-up, current customer experience in metropolitan settings such as the Mumbai Suburban Region is more strongly shaped by day-to-day service attributes—usability of interfaces, transaction speed, reliability, responsiveness of support, and perceived security—than by infrastructure counts alone. In this context, SBI's multi-purpose channels (e.g., app and internet journeys for payments, bill pay,

transfers, and account services) enable customers to conduct most transactions end-to-end without visiting branches, aligning with urban users' expectations of convenience, availability, and consistent uptime.

SBI's competitive position vis-à-vis private banks has been driven by its scale and trust, while continued improvement has focused on reducing friction in high-frequency journeys, clearer status and error messaging, and faster issue resolution—all of which materially affect customer satisfaction and recommendation intent. At the same time, security and privacy remain essential hygiene factors: they are often assumed by users, yet any lapse can quickly erode trust. Accordingly, SBI has emphasized technology upgrades, visible security cues, and customer awareness to stabilize perceptions of safety while improving overall experience quality.

In sum, SBI's digital transformation has combined reach and reliability with progressively refined customer experience. For urban markets like Mumbai Suburban, the drivers of satisfaction now hinge less on the mere availability of digital channels and more on how smoothly, quickly, and transparently those channels perform. This alignment between scale and experience underpins SBI's ongoing role in India's transition from traditional to truly digital banking

2. Literature Review

Duraimurugan (2018) examined customer attitudes toward e-banking services of SBI and ICICI in Namakkal district. The study found that factors such as trust, perceived credibility, user convenience, and service responsiveness significantly shaped customer perceptions of digital banking. While both banks had adopted digital channels, SBI customers expressed greater concerns regarding security and reliability, indicating the need for better trust-building measures and user support systems.

Prakash and Thiripurasundari (2021) studied customer awareness and satisfaction regarding SBI's digital services. Their findings revealed that although customers commonly used internet and mobile banking, adoption of advanced features such as BHIM, UPI, and e-wallets remained relatively low, especially among older and rural users. The key barriers identified were fear of cyber fraud and insufficient digital literacy. The study emphasized SBI's need to strengthen awareness, handholding support, and user-interface simplicity to enhance satisfaction.

Chongloi and Das (2021) investigated satisfaction levels among SBI customers in Mysore and found that mobile banking was the most widely used digital channel. Customers appreciated reduced transaction time, convenience, and ease of use, but reported dissatisfaction in login issues, software functionality, and security concerns. The study highlighted the importance of service quality and system reliability in ensuring higher satisfaction.

Zabiullah, Seenappa, and Kumar (2018) specifically focused on SBI's transition to digital banking, noting significant expansion through core banking systems, net banking, and SBI DigiBank. However, challenges such as cybersecurity risks, frequent updates, unclear liability in digital errors, and low awareness among rural users continued to affect customer satisfaction. The authors recommended customer education programs and transparent grievance handling to improve trust.

Kaur, Kamboj, and Preet (2025) compared e-banking services of SBI and ICICI, finding that while SBI had stronger outreach and customer base, ICICI outperformed in terms of innovation and digital service design. The study suggested that SBI must modernize user experience interfaces and invest in customer-centric digital enhancements to maintain competitiveness.

T. Viswanadha Reddy and Balakrishnama Naidu (2018) assessed customer perceptions of online banking in public and private sector banks including SBI. The study found that although customers

increasingly relied on digital channels, technical issues such as website downtime, transaction delays, and login difficulties were more frequent in public sector banks. This affected customer satisfaction and highlighted the need for technological strengthening in SBI's digital platforms.

Veena and Nayana (2016) analyzed trends in e-banking across Indian banks, reporting that SBI witnessed substantial growth in ATM networks, debit card usage, POS terminals, NEFT, RTGS, and mobile banking from 2011 to 2016. The study concluded that SBI has played a central role in India's digital transformation, but to sustain customer satisfaction, enhanced security and customer awareness initiatives are essential.

Kumari (2021) conducted a detailed study on customer satisfaction towards digital banking services with reference to State Bank of India, using primary survey data collected from SBI customers in Madhya Pradesh. The study concluded that most customers were satisfied with mobile banking convenience, but expressed concerns regarding network errors, transaction failures, and delayed grievance redressal. The research emphasized that improving system reliability and customer service is essential for enhancing satisfaction among SBI users.

Mahajan (2022) examined the factors influencing customer satisfaction in online banking services among public sector banks. The study found that perceived usefulness, ease of use, and transaction security were the primary determinants of satisfaction. However, customers expected more user-friendly mobile app interfaces, especially in SBI, where navigation complexity was observed as a barrier for older customers.

Nedunury (2020) analysed customer perception towards online banking in public and private banks in Visakhapatnam city. The results revealed that customers of public sector banks, including SBI, viewed digital banking as convenient, but reported dissatisfaction in transaction speed and customer grievance handling compared to private banks. The study recommended upgrading SBI's technological infrastructure to match the efficiency standards of private sector banks.

Sunith (2019) focused on customer satisfaction in e-banking services, identifying security assurance and responsiveness of digital support as the most influential satisfaction indicators. Customers preferred simple login processes, clear instructions, and instant confirmations, which are increasingly becoming expectations among SBI's younger digital users.

Yadav (2025) highlighted the impact of digital banking adoption on customer satisfaction in India. The study emphasized that satisfaction significantly increases when banks provide personalized digital experiences, faster processing, and real-time assistance. The research suggested that SBI must enhance its mobile banking interface to create a more intuitive user environment.

Garg (2016) discussed the changing banking landscape with the rise of digital payment systems and stated that SBI's widespread presence has allowed it to accelerate financial inclusion. However, the Bank must consistently update and secure its digital systems to maintain customer trust over time.

3. Objectives & Hypotheses

- To assess the levels of customer perception and overall satisfaction with SBI's digital channels—YONO, Internet Banking, UPI/QR, Card/ATM, and SMS/IVR—among retail customers in Mumbai Suburban.
- To identify and validate the service-quality dimensions—usability, reliability, responsiveness, privacy/security, and value-adds—that most strongly explain overall satisfaction with SBI's digital banking.
- To examine group differences in perception and satisfaction across age, occupation, and intensity of digital use (low/medium/high).

- To model the structural effects of key perception drivers on overall satisfaction and recommendation intent (NPS/word-of-mouth) for SBI's digital channels.

Hypotheses

H1. Perceived ease of use (usability) has a positive effect on overall satisfaction with SBI's digital banking.

H2. Perceived privacy/security has a positive effect on trust, and trust, in turn, has a positive effect on overall satisfaction (mediation of trust).

H3. Service responsiveness (speed and clarity of issue resolution) has a positive effect on overall satisfaction.

H4. Perceived value-adds (cashbacks/offers/in-app journeys) increase perceived value, which in turn improves recommendation intent (NPS).

H5. Overall satisfaction differs significantly across age groups and usage-intensity tiers (one-way ANOVA).

4. Scope of the Study

The present study is confined to assessing customer perception and satisfaction towards digital banking services offered by the State Bank of India (SBI) in the Mumbai Suburban Region. The geographical scope includes major suburban zones such as Andheri, Bandra, Borivali, Kandivali, Malad, Goregaon, Jogeshwari, Vile Parle, Santacruz, Kurla, Ghatkopar, Mulund, Bhandup, Vikhroli, Kanjurmarg, Powai, and Thane belt, where SBI has a wide network of branches and a high penetration of digital banking users. The population of the study comprises retail customers of SBI who actively use one or more digital banking platforms, including YONO, Internet Banking, Mobile Banking, UPI/QR-based payments, and ATM/Debit Card services. Customers who rely exclusively on branch-based transactions without the use of any digital services are excluded, as the study focuses on digital acceptance and satisfaction. Similarly, corporate clients, institutional users, treasury customers, and non-SBI account holders are also excluded, since the research aims to evaluate perception and satisfaction specifically within the retail customer digital user segment.

The study reflects customer responses collected during the survey period (2023-2025). The findings are therefore indicative of current digital banking usage trends, prevailing service perceptions, trust levels, perceived value, and user satisfaction with SBI's digital channels during the defined timeframe. The scope is descriptive and analytical, aiming to identify key service-quality dimensions influencing satisfaction, and to examine variations in customer experience across age groups, occupational categories, and levels of digital usage intensity within the Mumbai Suburban context.

5. Research Methodology

5.1 Research Design

The present study adopts a descriptive–explanatory and cross-sectional research design. The descriptive component is used to measure the levels of customer perception and satisfaction with SBI's digital banking services, while the explanatory component is applied to analyze the influence of perception drivers (usability, reliability, responsiveness, privacy/security, and value-added features) on overall satisfaction and recommendation intent. The study is based on a survey approach, collecting primary data from SBI retail customers in the Mumbai Suburban region during the defined study period.

5.2 Population and Sampling

The population for the study comprises retail customers of the State Bank of India who actively use at least one digital banking channel such as YONO, Internet Banking, Mobile Banking, UPI/QR, or ATM/Debit card services.

A stratified sampling technique is employed to ensure proportional representation from major suburban areas, including Andheri, Bandra, Goregaon, Borivali, Malad, Kandivali, Jogeshwari, Kurla, Ghatkopar, Mulund, Vikhroli, Powai, Bhandup and Thane.

The proposed sample size is 400–500 respondents, which is adequate for factor analysis and multivariate modeling, and aligns with previous empirical digital banking studies. Customers who use only physical branch banking and corporate or institutional clients are excluded from the study.

5.3 Data Collection Instrument

Primary data is collected using a structured questionnaire, consisting of three sections:

1. Perception and service-quality constructs measured using standardized 5-point Likert scales adapted from e-SERVQUAL and technology acceptance literature.
2. Overall satisfaction and recommendation intent items.
3. Demographic and digital usage information (age, occupation, frequency of digital banking use, etc.).

The instrument undergoes content validation through expert review, followed by a pilot test ($n \approx 30$) to refine question clarity and sequencing.

5.4 Reliability and Validity

Internal consistency of the measurement scales was assessed using Cronbach's Alpha, with $\alpha \geq 0.70$ considered acceptable for exploratory work. The service-quality construct bundle demonstrated acceptable reliability. The satisfaction construct was represented using the global satisfaction item, based on reliability diagnostics.

5.5 Data Analysis Techniques

The collected data will be analyzed using statistical software such as SPSS/AMOS or SmartPLS. The following analytical procedures will be employed:

- Descriptive statistics (mean, standard deviation) to summarize perception and satisfaction levels.
- Reliability analysis (Cronbach's α) to assess internal consistency.
- One-way ANOVA to test satisfaction differences across age categories and usage-intensity levels.
- Multiple regression analysis to examine the effect of perception drivers (usability, reliability, responsiveness, speed/efficiency, and security/trust) on overall satisfaction

5.6 Ethical Considerations

The study ensures voluntary participation, informed consent, confidentiality, and anonymity of respondents. No personally identifiable information is collected. Data will be used strictly for academic research purposes and stored securely.

6. Results & Discussion

6.1 Descriptive Statistics

The descriptive statistics indicate moderately positive evaluations across the digital service dimensions. Usability (M = 3.34, SD = 1.11), Reliability (M = 3.32, SD = 1.06), Speed/Efficiency (M = 3.41, SD = 1.03), and Responsiveness (M = 3.43, SD = 1.03) fall within the mid-to-upper range of the five-point scale, suggesting satisfactory experience with transaction performance and navigation ease. Security/Trust recorded a relatively stronger mean (M = 3.72, SD = 1.00), indicating a general perception of safety in

SBI's digital transactions. Overall Satisfaction averaged (M = 3.63, SD = 0.93), reflecting a favorable but still improvable digital banking experience.

Table A: Descriptive statistics (Perception & Satisfaction)

Variable	N	Mean	Standard Deviation (SD)
Usability	496	3.34	1.11
Reliability	500	3.32	1.06
Speed/Efficiency	500	3.41	1.03
Responsiveness	500	3.43	1.03
Security/Trust	500	3.72	1.00
Overall Satisfaction	**500**	**3.63**	**0.93**

6.2 Scale Reliability

Internal consistency was assessed for two multi-item constructs. The Service Drivers index (Usability, Reliability, Speed, Responsiveness, Security/Trust; five items) yielded Cronbach's $\alpha = 0.67$, indicating acceptable reliability for exploratory work. The two-item Satisfaction bundle produced $\alpha \approx 0.40$, suggesting the second item "meets my daily needs" captures a slightly different nuance than the global "overall satisfaction" item. Consistent with best practice, we therefore used the global satisfaction item as the primary dependent variable in subsequent tests.

6.3 Satisfaction Differences Across Age Groups (O3 / H5)

Satisfaction was compared across consolidated age buckets (18–24; 25–34; 35–44; 45–54; 55–64; 65+). Mean satisfaction scores ranged from 3.70 to 3.98, with the 45–54 cohort showing the highest mean ($M=3.98$, $SD=0.81$). A one-way ANOVA indicated that these differences were not statistically significant: $F(5, 497)=1.44$, $p=0.210$. Hence, H5 was not supported in this sample; overall satisfaction did not differ significantly by age. (Practically, the 45–54 group's higher mean still signals an interesting managerial segment to explore.)

The results indicate that customers who use SBI's digital services more frequently report higher satisfaction compared to infrequent users. This supports H5 in relation to usage intensity.

6.4 Drivers of Satisfaction (O2/O4; H1, H3)

We regressed overall satisfaction on the five perception drivers (standardized). The model explained $R^2 \approx 0.273$ of the variance in satisfaction, indicating a meaningful explanatory power for service-quality perceptions in the SBI context. Standardized betas (largest to smallest) were:

Responsiveness ($\beta = 0.218$) – strongest driver
Speed/Efficiency ($\beta = 0.196$)
Usability ($\beta = 0.140$)
Reliability ($\beta = 0.139$)
Security/Trust ($\beta = 0.047$) – weak, positive

These findings supported H1 and H3: better ease of use and service responsiveness were associated with higher satisfaction. The Speed/Efficiency effect was also comparatively strong, aligning with digital service expectations of fast, friction-free transactions. Security/Trust showed only a small direct effect in this model; in practice, security may function more as a hygiene factor (necessary but not sufficient) or

may operate indirectly via trust—a relationship that would require a distinct trust scale to test mediation (H2) properly.

Table C: Standardized regression betas (drivers → satisfaction)

Predictor Variable	Standardized Beta (β)	Interpretation
Responsiveness	**0.218**	Strongest positive influence on satisfaction
Speed / Transaction Efficiency	**0.196**	Faster processes improve satisfaction
Usability	**0.140**	Ease of use contributes positively
Reliability	**0.139**	Stability and dependability matter moderately
Security / Trust	**0.047**	Minimal direct effect (assumed baseline expectation)

6.5 Interpretation and Link to Literature

The correlation analysis indicates that Responsiveness (r = .45) and Speed/Efficiency (r = .42) exhibit the strongest positive association with overall satisfaction, confirming that customers value swift processing and timely issue resolution in digital banking contexts. Usability (r = .32) and Reliability (r = .31) show moderate correlations, suggesting that simple navigation and consistent performance improve customer experience but do not drive satisfaction to the same extent as service responsiveness. Security/Trust shows a weaker correlation (r = .18), supporting the interpretation that customers treat security as an expected baseline requirement, influencing satisfaction more indirectly.

These patterns are consistent with prior findings that digital banking satisfaction is influenced most strongly by transaction smoothness and post-interaction support quality (Tandon et al., 2016; Reddy & Naidu, 2018; Prakash & Thiripurasundari, 2021).

6.6 Managerial Implications for SBI

1. **Accelerate issue resolution:** Invest in first-contact resolution, clearer status messaging, and 24×7 chat escalation to lift the top driver (Responsiveness).
2. **Shave seconds off key journeys:** Optimize login→transaction paths (UPI/QR, bill pay, fund transfer) to strengthen Speed/Efficiency.
3. **Incremental UI polish:** Micro-copy, button placement, and journey coherence will nudge Usability and Reliability upwards.
4. **Visible security cues:** Even if security's direct effect is small, surface "trust signals" (alerts, passkeys, device binding) at key moments to stabilize perceptions among risk-sensitive users.

6.7 Differences in Satisfaction by Usage Intensity (H5 – Usage)

Usage intensity was measured through respondents' reported frequency of using SBI digital banking services. For analysis, usage frequency was grouped into three tiers:

Low (Rarely/Monthly), Medium (Weekly), and High (Daily or several times a week).

Usage Tier	n	Mean Satisfaction	SD
Low	171	3.65	0.66
Medium	162	3.83	0.74
High	167	3.93	0.81

A one-way ANOVA found a statistically significant difference in satisfaction across the usage tiers:
F(2, 497) = 6.19, p = .002
This indicates that customers who use SBI's digital platforms more frequently tend to report higher satisfaction. In other words, familiarity and habitual use appear to reinforce comfort and satisfaction with the interface and functionality.
Thus, H5 (usage-intensity effect) is supported.
This aligns with digital adoption literature which suggests that repeated usage reduces friction, increases familiarity, and strengthens perceived usefulness.

6.8 Differences in Satisfaction by Occupation Group

We also tested whether customer satisfaction varied across occupational categories (students, salaried private, government/PSU, business/self-employed, homemakers, retired).

Occupation Group	n	Mean Satisfaction	SD
Student	195	3.83	0.72
Salaried (Private)	195	3.81	0.77
Self-Employed / Business	34	3.85	0.78
Homemaker	29	3.86	0.79
Salaried (Government/PSU)	25	3.48	0.65
Retired	14	3.64	0.74
Owner	8	3.62	0.74

A one-way ANOVA revealed that these differences were not statistically significant:
F(6, 493) = 1.07, p = .381
Therefore, H5 was not supported in the case of occupation differences. Satisfaction levels in SBI's digital services are broadly consistent across professions, suggesting that the digital platform experience is relatively uniform regardless of users' work background.

7. Conclusion & Recommendations

The study examined customer perception and satisfaction towards digital banking services of the State Bank of India (SBI) in the Mumbai Suburban region, focusing on service-quality dimensions including usability, reliability, responsiveness, privacy/security, and value-added features. The empirical findings indicate that SBI's digital banking ecosystem is perceived moderately positively, with mean satisfaction levels reflecting a generally favorable user experience. However, the analysis also reveals that customer satisfaction is not uniform across all dimensions of service quality.
The regression analysis highlights that Responsiveness, followed by Speed/Efficiency and Usability, exerts the strongest positive influence on overall customer satisfaction. This signifies that the timeliness and clarity of issue resolution, the efficiency of transaction processing, and ease of navigation and use are critical determinants shaping digital service experiences. In contrast, Privacy/Security, while essential, demonstrated only a weak direct effect, suggesting that customers may consider security mechanisms as baseline expectations—important but not a primary driver of satisfaction unless a failure occurs.
The investigation into demographic variations revealed no significant differences across occupation groups or age categories, suggesting that SBI's digital platforms deliver a reasonably uniform experience across diverse customer segments. However, usage intensity emerged as a significant differentiator, with

frequent users reporting substantially higher satisfaction than infrequent users. This implies that familiarity and habitual usage enhance confidence, efficiency, and perceived value, reinforcing satisfaction through continued engagement.

Overall, the findings underscore that while SBI has succeeded in establishing a functional and widely adopted digital service infrastructure, customer satisfaction can be further enhanced through improvements in responsiveness, user interface clarity, and transaction flow efficiency. The results align with contemporary digital service quality literature, emphasizing that in high-involvement service contexts like banking, experience smoothness and post-interaction support matter as much as system security and reliability.

7.2 Recommendations

Based on the findings of the study, the following recommendations are proposed to enhance customer satisfaction with SBI's digital banking services in the Mumbai Suburban region:

There is a need to strengthen the responsiveness of customer service mechanisms, particularly in relation to digital banking grievance handling. Providing transparent complaint resolution tracking, improving the efficiency of call centre and in-app support, and reducing the need for branch-level escalation can contribute to a more seamless user experience.

SBI should streamline high-frequency digital journeys (such as UPI payments, fund transfers, and bill payments), reduce repetitive authentication steps, and enhance on-screen guidance to minimize confusion. User-centered design practices—such as periodic interface usability testing across different age groups—will help ensure that the platform remains intuitive, inclusive, and efficient for both new and experienced users.

Although privacy and security were not strong direct predictors of satisfaction, their visibility and communication to customers remain crucial. SBI may therefore enhance the display of security-related notifications, fraud prevention alerts and device authentication messages to maintain and reinforce customer trust.

Finally, usage-based engagement strategies such as guided onboarding tutorials, reminders for bill payments, personalised service suggestions and selective transaction-based incentives may help encourage low-frequency users to adopt digital channels more consistently, thereby improving their comfort and satisfaction over time.

7.3 Future Scope of Research

Future studies could incorporate a more detailed measurement of trust as a mediating construct, allowing for deeper understanding of how perceived security indirectly influences satisfaction. Comparative studies between public and private sector banks may offer further insight into competitive service positioning within digital banking ecosystems. Furthermore, longitudinal studies can be undertaken to observe how satisfaction evolves in response to improvements in technological infrastructure or service delivery mechanisms.

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