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Consumer Perception Towards E-Banking Services – On Overview

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ABSTRACT

The paper deals with the consumer awareness towards e-banking services with special reference to Karur District of Tamilnadu. Data were collected for this investigation from fresh data as well as secondary sources. The study is based on simple random sampling method for this evaluation. The data was collected during the months between January to March 2020. The data collect from the primary source were measured with the help of various statistical tools such as simple percentage analysis; Mean, F-Statistic, Chi square test and probability analysis be used. Secondary sources have been collected as of books, journals, newspapers, internet and periodicals. The study reveals that, the opinion of consumers on future expectations. Out of the total respondents, Majority (i.e.) 58.89% of the sample respondents have mentioned that they would like operate their banking transactions in a core banking environment which is free from neither technical intervention such as computer connecting nor 23.33% of the samples respondents expect the bank will provide security. 17.78% of the sample respondents have stated reasonable charges have to be imposed on their banking transaction. The main difficulty for using the E-banking facility is less knowledge about the operations of banking facility (50%). Respondents also feel the services of E-banking too complex to use (30%) and respondents also believe the E-banking to be risky (12.22%). According to the study, the researcher concludes that the most of the bank consumers are aware about all the banking services in Karur District of Tamilnadu. The banks further have to take necessary steps to educate the consumers regarding the new technology and other services offered by the banks.

Keywords: Electronic banking; Internet banking; Online banking; Credit/debit cards; lucidity; precision; Cost reduction; Customer's awareness and performance.

INTRODUCTION

The Internet has altered the operations of many businesses and has been becoming a powerful canal for business marketing and communication. American Banker - The banking industry has follow this trend in recent years, and occasionally called "e-banking" referring to

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every banking transactions now completing through online applications. The progress of communication and computer technology and the accessibility of the Internet have completed it feasible that one can do most banking transactions from an isolated location even without stepping into a physical financial structure i.e., the promising of e-banking. At present, less than 30% of the same consumer financial dealings run through a branch office or the lobby of a main bank office. As a result, the banks as an industry are formulating strategic policy to fight back in winning their consumers recommended by Healy. E-banking has been view as a superior advancement from previous electronic delivery systems to open numerous new business opportunities for the banking industry. A survey exposed that at that time there was a designed \$2 billion new investment in the latest electronic banking technology within the banking industry. Among surveyed banks at the time, about two third (66%) designed to invest in mobile banking technology and the rest of one third (34%) previously targeted e-banking options. A number of key issues addressed in the present literature about the e banking include: customer recognition and satisfaction, services rendered, value added for consumers and banks, isolation concerns, productivity, operational risks and opposition from non-banking institutions. In an accumulation to preceding electronic banking delivery systems automated teller machine (ATMs) and telephone transaction processing centers, online banking provide banks a novel and extra efficient electronic delivery system.

STATEMENT OF THE PROBLEM

There have been numerous major challenges and issues faced to the e-banking enlargement and the e-business in general. One major hindrance addressed most is the security concern. Another issue challenged e-business as well as e-banking is the quality of delivery service-including the delivery speed and reliability i.e., delivery of items/services on time. Limited payment options offered to online consumers. In additionally consumers who are non-computer "genius" like most senior citizens have been hesitant in their selection of doing business online and worried their unfamiliarity about the computer insertion them in a disadvantageous position. The paper discussed the consumer perception towards e-banking system with special reference to Karur District of Tamilnadu.

OBJECTIVES

1. To study the socio economic factors of the consumers of e-banks
2. To discover the reasons for preferring e-banking.
3. To know the consumer's service quality in e-banking System.
4. To find out the attitude of the respondents regarding the various problems of e-banking
5. To provide valuable suggestions to improve attentiveness and satisfaction about e-banking services.

RESEARCH METHODOLOGY

The study is proposed to face the perception and awareness about e-banking facility provided by commercial banks in Karur District of Tamilnadu. Data for this inquiry were received from primary in addition to secondary sources. The sample selected consisted of 60 sample respondents on behalf of the consumers of E-banks. The study is based on simple random sampling. The data was collected during the months between Jan to March 2020. The data were analysis with the help of various statistical trials such as simple percentage analysis, averages, F-Statistic, chi square test and probability analysis were used. Secondary data have been collect from books, journals, newspapers, periodicals and websites.

Table 1 Distribution of sample respondents according to their age

Age in Group (in years)	No. of Respondents
Up to 25	24(40)
Between 26-50	26 (43.33)
Above 50	10 (16.67)
Total	60(100)

Source: Primary Data. Figures in brackets represent percentages to total.

Table 2: Distribution of sample respondents according to their gender

Gender	No. of Respondents
Male	55 (61.11)
Female	35 (38.89)
Total	60 (100)

Table 3: Distribution of sample respondents according to their marital status

Marital Status	No. of Respondents
Married	39(65)
Unmarried	21 (35)
Total	60 (100)

Table 4: Distribution of sample respondents according to their educational qualification

Educational Qualification	No. of Respondents
Illiterate	8 (13.33)
School level	13(21.67)
College level	16 (26.67)
Professional	12 (20.00)
Diploma	11(17.78)
Total	60 (100)

Table 5: Distribution of sample respondents on the basis of their occupation.

Occupation	No. of Respondents
Employee	31 (51.67)
Business	8 (13.33)
Agriculture	5 (8.33)
Professional	7 (11.67)
Student	9 (15)
Total	60 (100)

Table 6: Distribution of sample respondents according to their income.

Income level	No. of Respondents
Up to Rs.1,00,000	22 (36.67)
Rs 1,00,001 to Rs 3,00,000	31 (51.67)
Above Rs 3,00,000	6 (10)
Total	60 (100.00)

Source:Primary Data.

Table 7: Consumer preference of E-banking services (n=60)

Customer preference	Satisfied	Percentage	Not Satisfied	Percentage
Mobile Banking	56	93.33	4	6.67
E-Cheques	46	76.67	14	23.33
Phone Banking	40	66.67	20	33.33
Credit /Debit cards	52	86.67	8	13.33
ATM	53	88.33	7	11.67
Electronic fund transfer	49	81.67	11	18.33
Tele banking	32	53.33	28	46.67
Internet Banking	47	78.33	13	21.67
SMS Banking	39	65	21	35

Source: Primary data.

Table 8: Motivating factors to prefer E-banking services (n=60).

Motivating Factors	No. of Respondents	Percentage
Time saving	49	81.67
Accuracy	32	53.33
Easy and convenient access	44	73.33
Transparency	43	71.67
Social status	55	91.67
Confidentiality	33	55
Service quality	45	75
Security	31	51.67
Speed	56	93.33
Total	60	100.00

Table 9: Customer perception on service quality factors.

Service Quality Factors	Average Score Respondents	F-Statistic
Time factor	3.3132	1.1061
Reliability	2.1656	3.2341
Queue management	2.1246	1.4614

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On-line bill payments	2.2910	1.3514
Easy to use and user friendliness	3.1243	0.7512
Anytime and anywhere banking facility	3.6312	3.0823
Convenience way of operating banking transactions	2.8237	3.6141
*Significant at 5% level.		

Table 10: Respondent s response for future expectations with E- banking services.

Future Expectations	No. of Respondents	Percentage
Reasonable cost	11	18.33
Expected neither technique intervention nor quality services	35	58.33
Security	14	23.34
Total	60	100.00

Table 11: Difficulty for using the E-banking facility.

Difficulty	No. of Respondents	Percentage
Risky	10	16.67
Less Knowledge	30	50
High Fees	7	11.67
Complex to use	13	21.66
Total	60	100.00

OUTCOMES

From the above mentioned table it is understandable that

- ❖ 40% most of the respondents belong to up to 25 years.
- ❖ 61.11% majority of the respondents belong to male group .
- ❖ 65% most of the respondents are married
- ❖ 26.67% maximum of the respondent's educational qualification is college level
- ❖ 51.67% majority of the occupational status of respondents are belong to employee

- ❖ 51.67% most of the respondents income levels are Rs. 1,00,001 to Rs. 3,00,000
- ❖ The table highlights the customer preference towards E-banking services. Out of the total respondents, Majority (i.e.) 93.33% of the consumers are satisfied about the mobile banking as most of the consumers prefer to adopt the mobile banking services
- ❖ The chi-square analysis ($\chi^2=52.9$, $df=8$, $P=0.000$) result shows there is association between the consumer perception towards E-banking services and their level of satisfaction. Thus, a large amount of the respondent is aware and satisfied with the services provided by the bankers.
- ❖ Easy and convenient access, confidentiality, service quality and time saving are the factors influencing the respondents to prefer e-banking services at 73.33%, 55%, 75% and 81.67% respectively in Karur district. 71.67%, 85.56%, 53.33%, and 93.33% of the respondents are influenced by factors such as transparency, accuracy and speed respectively to prefer e-banking services of the commercial banks. Social status and security are the motivating factors for the consumers at 91.67% and 51.67%, respectively to prefer e-banking services of the commercial banks in Karur District of Tamilnadu.
- ❖ The attitude towards the above said consumer perception on service quality factors is calculated at a five point scale highly satisfied, satisfied, moderate, dissatisfied, highly dissatisfied which carries 5, 4, 3, 2, and 1 mark respectively. The mean score in the attitude towards different consumers perceptions on service quality factors are measured by the consumers separately is shown in the above table. The consumers are asked to rate every one SQFs five point scale according to their order of fulfillment. The mean score of every SQFs and F-Statistic is known in table. According to the table customer perception on service quality factors was found high in the variables namely reliability, anytime and anywhere banking facility and convenience way of operating banking transactions and time factors . The mean score values of these variables are 3.2341, 3.6312 , 3.6141 and 3.3132 respectively .
- ❖ Out of the total respondents, Majority (i.e.) 58.33% of the sample respondents have mention that expected neither technical intervention nor quality services.
- ❖ The main difficulty for using the E-banking facility is less knowledge about the operations of banking facility (50%).

CONCLUSION

The research testimony is based on fresh hand data. According to the study, the researcher concludes that the most of the bank consumers are attentive in relation to all the banking services in Karur District of Tamilnadu. The banks further have to take necessary steps to instruct the consumers regarding the new technology and other services presented by the banks. Banks may expand consumer meeting time with bank officials and also gracious approach is necessary. Definitely it will help to maintain the existing consumers and to attract the new consumers. It will automatically get better the banking service and enhancement of banks in India and also in overseas. The research report is valuable to know the consumer perception of e-banking system and state the challenges involved in e-banking system.

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