

STUDY OF CUSTOMER AWARENESS TOWARDS E-BANKING SERVICES AND MARKETING STRATEGIES ADOPTED BY URBAN CO-OPERATIVE BANKS IN THANE DISTRICT

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ABSTRACT: Today's, e-banking is used as a strategies tool by the global banking sector to attract and retain customers. Increase competition changing business environments, globalization and the advancement of information and communication technology are the important factors that have forced banking and financial services to change. This paper is the outcome of an empirical study conducted with the objective of investigating the level and magnitude of awareness of e-banking services among the UCB customers in Thane District.

KEYWORDS: Awareness, Customer, E-Banking, Marketing Strategies, UCB

INTRODUCTION:

The beginning of the urban co-operative banking movement in India can be traced back to the close of nineteenth century when, exciting by the success of the demonstration related to the co-operative movement in Britain and the co-operative credit movement in Germany such societies were established in India, co-operative societies are depend on the principles of co-operation-mutual help, democratic decision making and open membership. Co-operatives presented a new and alternative approach to organization as against proprietary firms, partnership firms and joint stock companies which present the dominant form of commercial organization.

Urban Co-operative Banks

An urban co-operative Bank is defined as one which is organized for accepting deposits from the public, which is usually repayable by cheques which carry on normal banking business. Urban Banks are those credit societies which undertake all kinds of banking business including the acceptance of all types of deposits and the provisions of banking facilities for their market, such as making advances on personal surety, issue of drafts, discounting Hundis collection of Bills etc.

OBJECTIVES:

- 1) To examine the level and magnitude of awareness of e-banking services among the UCB customers in Thane District.
- 2) To suggest measures and policy improve marketing strategies.

HYPOTHESIS:

- 1) There is the significant association between customer awareness of e-banking services and marketing strategies adopted by UCB.

RESEARCH METHODOLOGY:

For the present study, primary and secondary data were used. Secondary data collected from various books, journals. 1000 UCB customer were randomly selected for the study. Primary data were collected through well-developed questioner. The percentage method and chi-square test are used as statistical tools for analyzing the data and testing of hypothesis.

ANALYSIS OF STUDY:

Table: - 0.1 Awareness about the type of account

Type of account	Saving Bank		Fixed Deposit		Recurring Deposit		Cash Certificate		Stock Invest	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Total	1000	0	884	116	879	121	12	988	12	988
percentage	100.0	0.0	88.4	11.6	87.9	12.1	1.2	98.8	1.2	98.8

Table 01 indicates the awareness level of the sample with regard to accounts or deposit schemes. It can be observed that saving deposits, fixed deposits, and recurring deposits accounts were quite known to most of the customer. Saving deposits known by 100.0 percent sample responded, fixed deposits were known by 88.4 percent respondent and recurring deposits known by 87.9 percent responded.

Table: - 0.2 Awareness about remittances services

remittances services	Demand Draft		Mail Transfer		Telegraphic Transfer		Gift Cheque		Foreign Remittances		Credit Cards		Other	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Total	687	313	706	294	706	294	706	294	703	297	706	294	28	972
Percentage	68.7	31.3	70.6	29.4	70.6	29.4	70.6	29.4	70.3	29.7	70.6	29.4	2.8	97.2

The customers were asked about their awareness regarding seven remittance services and their response was recorded in table 0.2. It can be seen that Mail Transfer, Telegraphic Transfer, credit cards and gift cheque are the most popular method of remittance with 70.6 percent awareness followed by Foreign Remittances 70.3 percent and demand draft 68.7 percent.

Table: - 0.3 Awareness about miscellaneous services

miscellaneous services	ATM		Debit Card		Credit Card		Internet Banking		Bill Pay Services		Cash Management		NEFT		RTGS	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Total	3	997	0	1000	53	947	23	977	29	971	130	870	27	973	26	974
Percentage	0.3	99.7	0.0	100.0	5.3	94.7	2.3	97.7	2.9	97.1	13.0	87.0	2.7	97.3	2.6	97.4

In order to test the awareness of respondents regarding miscellaneous services of banks, 08 were listed and their responses were given in table 0.3. It was revealed that on the whole 08 services known more than 90.00 percent of respondents.

Table: - 0.4 Sources of Awareness about existing services of the bank

Sources of Awareness	Branch Manager		Staff		Advertisement		Neighbors		Friends	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Total	1000	0	997	3	1000	0	946	54	57	943
percentage	100.0	0.0	99.7	0.3	100.0	0.0	94.6	5.4	5.7	94.3

The emergence of multi-media in India introduced a change in the concept of the in which marketing of new services is to be undertaken. It can be noted that 94.3 percent respondents consider friends as the most important source of information about existing services.

Table: - 0.5 media preference of respondents

media preference	Television		Bank Staff		Poster/Broacher		Other	
	No	Yes	No	Yes	No	Yes	No	Yes
Total	1000	0	998	2	168	832	834	166
percentage	100.0	0.0	99.8	0.2	16.8	83.2	83.4	16.6

Above table indicates media preference of respondents. It is revealed those poster/broacher were preferred most by 83.2 percent sample respondents.

Table: - 0. 6 Receipt of greeting during the festival

greeting during festival	Eid		New Year		Independence Day		Republic Day		Gudhipadva		Vijaydashmi		Akshay Tritiya		Deepavali		Xmas	
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Total	1000	0	41	959	0	1000	3	997	991	9	997	3	1000	0	972	28	994	6
Percentage	100.0	0.0	4.1	95.9	0.0	100.0	0.3	99.7	99.1	0.9	99.7	0.3	100.0	0.0	97.2	2.8	99.4	0.6

Sending of greeting cards on important festival seasons to customers is a cheap and effective promotion strategy followed by banks all over the world. The sample respondents were asked to express their opinion about receipt of any greeting cards of such a nature and their responses were found in 0.6 table. Nine festivals were listed and the responses were disappointing. On the occasion of Gudhipadava, Vijaydashmi, Akshay Tritiya and Deepavali, the most common festival of Maharashtra, only 0.9, 0.3, 0.0 and 2.8 percent respectively customers reported receipt of greeting cards. The maximum receipt of greeting cards was reported during Independence Day with 100.0 percent followed by Republic Day with 99.7 percent and New Year with 95.9 percent.

Table: - 0.7 Responses on customer meet

Responses of a meeting conducted by UCBs	Invited		Attendance			Usefulness	
	No	Yes	No	Yes	May Be	No	Yes
Total	3	997	61	939	7	121	872
Percentage	0.3	99.7	6.1	93.9	0.7	12.1	87.2

Table 0.7 revealed that the participation of respondents in customer meets was far from satisfactory.

TESTING OF HYPOTHESIS:

To test null hypothesis:

Ho: There is no significant association between customer awareness of e-banking services and marketing strategies adopted by UCB.

Against alternative hypothesis:

H1: There is a significant association between customer awareness of e-banking services and marketing strategies adopted by UCB.

Table: - 0.8 associations between customer awareness of e-banking services and marketing strategies adopted by UCB.

Cross-Tabulation:

#-Count, Awareness of E-banking services
 %- the percentage of the total.

		Atm	Debit	Credit	InterntBankng	BillPayServices	CashManagement	Neft	Rtgs	Sum
Branch Manager	#	12	12	12	12	12	12	12	12	96
	%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
	row %	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	
	col %	0.3	0.3	0.3	0.3	0.3	0.4	0.3	0.3	
Staff	#	972	975	927	954	962	862	959	960	7571
	%	3.2	3.2	3.1	3.2	3.2	2.9	3.2	3.2	25.1
	row %	12.8	12.9	12.2	12.6	12.7	11.4	12.7	12.7	
	col %	24.9	24.9	25.0	25.0	25.2	25.3	25.1	25.1	
Advertisement	#	991	994	941	971	965	864	967	968	7661
	%	3.3	3.3	3.1	3.2	3.2	2.9	3.2	3.2	25.4
	row %	12.9	13.0	12.3	12.7	12.6	11.3	12.6	12.6	
	col %	25.4	25.4	25.4	25.4	25.3	25.3	25.3	25.3	
Neighbors	#	985	988	935	965	959	861	964	965	7622
	%	3.3	3.3	3.1	3.2	3.2	2.9	3.2	3.2	25.2
	row %	12.9	13.0	12.3	12.7	12.6	11.3	12.6	12.7	
	col %	25.3	25.3	25.2	25.2	25.2	25.2	25.2	25.2	
Friends	#	940	943	890	920	914	813	916	917	7253
	%	3.1	3.1	2.9	3.0	3.0	2.7	3.0	3.0	24.0
	row %	13.0	13.0	12.3	12.7	12.6	11.2	12.6	12.6	
	col %	24.1	24.1	24.0	24.1	24.0	23.8	24.0	24.0	
Sum	#	3900	3912	3705	3822	3812	3412	3818	3822	30203
	%	12.9	13.0	12.3	12.7	12.6	11.3	12.6	12.7	100.0

row% - percentage within with marketing strategies by ucb.

col% - percentage within E-banking Services.

Test – Statistic:

Pearson's Chi-squared test

Calculated value = 0.46696, d f = 28, p-value = 1

Table value: 41.3 at 05 percent significance level.

INFERENCE

The calculated value of X-square is less than the table value. Thus, the null hypothesis is accepted and the alternative hypothesis is rejected. Thus there is no association between customer awareness of e-banking services and marketing strategies adopted by UCB.

FINDINGS

- It can be observed that saving deposits, fixed deposits, and recurring deposits accounts were quite known to most of the customer.
- It can be seen that Mail Transfer, Telegraphic Transfer, credit cards and gift cheque are the most popular method of remittance
- In order to test the awareness of respondents regarding miscellaneous services of banks, 08 were listed. It was revealed that on the whole 08 services known more than 90.00 percent of respondents.
- It can be noted that 94.3 percent respondents consider friends as the most important source of information about existing services.
- In media preference of respondents. It is revealed those poster/broacher were preferred most by 83.2 percent sample respondents.
- Awareness of e-banking services through festival greeting cards was disappointing
- The participation of respondents in customer meets was far from satisfactory.
- Chi-Square test indicates that Thus there is no association between customer awareness of e-banking services and marketing strategies adopted by UCB.

CONCLUSION:

- Customers are aware of e-banking, but not fully.
- Customers are at ease after using e-banking.
- Marketing strategies adopted by UCB are not influencing customer awareness of e-banking.

POLICY IMPLICATION:

- In adopting marketing strategies, the bank should also compare different company's strategies and assesses the success and the failure of such strategies in the industry.
- In addition, banks are encouraged to be more customers focused and embrace relationship marketing rather than transaction marketing.

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