

A STUDY ON CUSTOMERS PERCEPTION TOWARDS E-BANKING SERVICE IN CHENNAI CITY

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Abstract : Electronic saving money is flourishing in India as ledger holders click their mouse, squeeze phone keys, slide cards, get to messages and cell phones to direct their managing an account. These e-channels are the arrangements of intense instruments which enable keeping money clients to lead budgetary exchanges, working from their home, office or somewhere else. As it were, has changed the managing an accounting industry into a whenever, anyplace, quick, and tweaked benefit offering and in the meantime has changed the manner in which banks benefit their clients. As innovation keeps on rethinking how clients associate with their particular banks, the present investigation features the client inclinations and mentalities towards conventional and substitute channels. The present investigation affirmed the ATM as the quickest developing channel; the greater part of the respondents /clients visits an ATM on a week by week premise. Be that as it may, the inclination for other interchange channels is still moderately low and expanding low for the esteem included administrations given by the banks through these channels. The examination immovably trusts that these channels will all pick up footing as they offer to energize and promising open doors for the two banks and their clients. Following practice, the examination into the appropriation and utilization of electronic saving money channels has become significantly finished the most recent three decades. Not with standing, banks look to promoting development in purchaser electronic keeping money.

IndexTerms - ATM, Electronic managing an account (online Banking), Electronic statement (E-Statement), Information Technology, Mobile keeping money and online Banking.

I. INTRODUCTION

The banking scenario in India in the post-liberalization and the deregulated environment has witnessed sweeping changes. The tremendous advances in technology and the aggressive infusion of information technology had brought in a paradigm shift in banking operations. For the banks, technology has emerged as a strategic resource for achieving higher efficiency, control of operations, productivity and profitability. For customers, it is the realization of their 'Anywhere, Anytime, Anyway' banking dream. This has prompted the banks to embrace technology to meet the increasing customer expectation. Technology to start with is a business

enabler and now has become a business driver. The banking institutions cannot think of introducing a financial product without information technology support is customer service, transactions, remittances, audit, marketing, pricing or any other activity in the banks.

Alternatively, electronic banking can be defined as "delivery of bank's services to a customer at his office or home by using electronic technology and this has resulted in the conceptualization of virtual banking". In traditional banking, the customer has to visit the branch of the bank in person to perform the basic banking operations viz., account inquiry, fund transfer, and cash withdrawal. The brick and mortar structure of a bank is essential to perform the banking functions.

II. HISTORY OF ONLINE BANKING

Electronic banking, or e-banking, is the term that describes all transactions that take place among companies, organizations, and individuals and their banking institutions. First conceptualized in the mid-1970s, some banks offered customers electronic banking in 1985. However, the lack of Internet users, and costs associated with using online banking, stunted growth. The Internet explosion in the late-1990s made people more comfortable with making transactions over the web. Despite the dot-com crash, e-banking grew alongside the Internet. On the other hand, E-Banking enables the customers to perform the basic banking transactions by sitting at their office or at homes through PC or LAPTOP. The customers can access the bank's website for viewing their account details and perform the transactions on an account as per their requirements. Thus, today's banking is no longer confined to branches. Customers are being provided with additional delivery channels which are more convenient and are cost effective to the banks. This has resulted in shrinking of geographical boundaries, easy reach to the clientele, reliable and secure services. The E-Banking services include Automated Teller Machine, Plastic Card Currency, Internet Banking, and Electronic Clearing Services.

Purpose of Online Banking When banking system was manually operated it has faced so many limitations like the time consuming, lack of data security, accuracy was very less when it was compared in terms of percentage, it used to consume a lot of manpower for good results etc., due to this E-Banking application has been developed. The major idea is to provide a series of services to the customer through the internet and make the customer comfortable of feel flexible in calling out simple tasks faster instead of making the customer to visit the bank every time. And this type of services is available only for the saving Account holders and not for the current account holders. The main purpose of my study is to get an overview of the Internet banking sector in the Indian economy and to study as to how it has helped to change the banking habits of various individuals and also to explore future prospects. The concept of electronic banking has been defined in many ways. The defines electronic banking as the delivery of banks' information and services by banks to customers via different delivery platforms that can be used with different terminal devices such as a personal computer and a mobile phone with browser or desktop software, telephone or digital television

Challenges in the adoption of online banking

Online banking is facing following challenges in Indian banking industry. The most serious threat faced by Online banking is that it is not safe and secures all the time. There may be the loss of data due to technical defaults. Online banks are facing business challenges. For the transactions made through the internet, the service charges are very low. Unless a large number of transactions are routed over the Web the e-banks cannot think of profit. There is a lack of preparedness both on part of banks and customers in the adoption of new technological changes. There is a lack of proper infrastructure for the installation of e-delivery channels.

Essentials of the comparative study of E-banking services

The development of e-banking with the escalation in the range of boundary options obtainable to access online, banking explanation has occasioned in a steady rise in the number of customers interacting through remote channels, to a greater

magnitude than before. In a climate of cumulative online opposition banks that have chosen to retain widespread branch networks are re-aligning the roles of staff in these branches and poignant towards an association was driven sales culture. Chennai city is a basic Literacy City where the maximum number of government employees and business people carry the commercial activities through banks. To know how far the customers of the banks are exploiting diverse e-banking services for their suitability a proportional study is done among the designated banks in Chennai city.

Development of E-banking

Technology has become the engine for generating rapid change. It is no longer measured merely for operation dispensation or restricted to management evidence systems. It suggests the integration of statistics system with the communication technology and of innovative application to product manufacturing, design, and control. With the growth of technology, the world has become a global village and escorted in a rebellion in the banking industry. "As per the statistic, India has knowledgeable a high development rate in the last four years, the consumers' expenditure has appealed up to 75% as a result the Banking Industry is probable to grow further in the future days with replicated cafes and kiosks springing up in diverse cities access to the Net is going to be easy. Internet banking (also denoted as banking) is the latest in this series of technological phenomena in the recent past connecting the use of the Internet for distribution of banking products & services. E-business has been endlessly growing as a new industry during the last decade. In the wake of the internet uprising, electronic commerce occurred and permissible businesses to interrelate more efficiently with their customers and other corporations. In this multiplied information age, the banking industry has been using this new communication channel to reach its diversities of customers.

Consumer loyalty

Prior to continuing further, it is best that one completely comprehends the meaning of the expression 'Customer Perception'. The expression does express a glad client, as well as preferably complex than that. Consumer loyalty is really a term most generally utilized in the business and trade industry. It is a business term clarifying about an estimation of the sort of items and administrations given by an organization to meet its client's desire. To a few, this might be viewed as the organization's key execution marker (KPI).

PROCLAMATION OF PROBLEM

Today, Indian Banking Industry is one of the biggest on the planet. Indian keeping money has made some amazing progress from being a tranquil business organization to an exceedingly positive and dynamic element. Indian keeping money has at long last woken up to the flooding requests of the consistently recognizing Indian consumer. Nowadays, because of the expansion in the rivalry, consumer loyalty is thought to be the most critical thing in managing account administrations. A client dependably needs something and expects that the bank should come up to the level to satisfy those necessities. Administration quality is tied in with addressing clients' needs and necessities, and how well the administration level conveyed matches client desires. Administration quality in managing an account suggests reliably foreseeing and fulfilling the requirements and desires for clients. In the course of the most recent decade, India has been one of the quickest adopters of data innovation, especially due to its ability to give

programming answers for associations around the globe. This capacity has given a colossal catalyst to the residential managing an accounting industry in India to send the most recent innovation, especially in the Internet saving money and online business fields. The presentation of electronic saving money has upset and re-imagined the manners in which banks were working. As innovation is presently considered as the fundamental commitment for the associations' prosperity and as their center abilities. So the banks, be it household or remote are contributing more on furnishing on the clients with the new innovations through e-keeping money. E-keeping money is a noteworthy innovation that has changed the matter of managing an account. World over banks is reorienting their methodologies towards new open doors offered by e-saving money. The ongoing pattern demonstrates that most 'block and concrete' banks are moving from an 'item driven' model as they build up their new e-managing an accounting capacity. PC keeping the money, versatile managing an account, ATM, electronic assets exchange, record to account exchange, paying bills on the web, online explanations and Master cards are the administrations given by banks. Additionally, the element which is usually one of a kind to web saving money incorporates bringing in information into individual bookkeeping programming. Some web-based managing an account stages bolster account accumulation to enable the clients to screen the majority of their records in a single place whether they are with their primary bank or with different establishments. Saving money through the web is considered as a complimentary conveyance channel for the administrations as opposed to a substitute for the physical managing an account branch. E-managing an account has expanded the opposition among the banks and both local and remote banks are putting forth more present-day methods for e-keeping money.

The saving money industry in India like numerous other budgetary administrations ventures is confronting a quickly evolving market, new advances, monetary vulnerabilities, wild rivalry, and all the more requesting clients; and the changing atmosphere has exhibited a phenomenal arrangement of difficulties. In the present conditions, an inquiry emerges whether the clients are fulfilled or not and what are the components of retail managing an account when all is said in done e-saving money specifically which prompt the fulfillment or disappointment of clients. The learning of current levels of fulfillment and, specifically, the essential variables of fulfillment are useful to those in the business, in this way enabling them to center and further fortify the key regions that prompt exceedingly fulfilled clients. E-keeping money administrations can make new upper hands, maybe, as well as can enhance their associations with clients for banks. Clearly, e-managing an account can offer better administrations required by enterprises and people, it could be a vital specialty regardless of for banks or their clients.

Deciding variables influencing consumer loyalty with e-managing an account is a basic piece of a bank's methodology plan process in a developing economy like India. It has turned out to be basic for both open division banks to perform to the best of their capacities to hold their clients by taking into account their express and additionally certain requirements. Numerous times it happens that the banks neglect to fulfill their client which can cause enormous misfortunes for banks. Thusly, the primary motivation behind the investigation is to know the E-keeping money administrations given by the banks in the examination territory and this exploration contemplate makes an endeavor to break down the general fulfillment of the client in regards to the e-managing an account arrangement in people in general division banks in region of Chennai city.

The extent of the investigation

With the coming of progression strategy and RBI's simple standards a few open, private and remote banks have entered in Indian keeping money part which has brought forth merciless rivalry among banks for getting expansive client base and the piece of the overall industry. Banks need to manage numerous clients and render different kinds of administrations to its clients and if the clients are not happy with the administrations given by the banks then they will desert which will affect economy in general since keeping money framework assumes an essential part in the economy of a nation, additionally it is exorbitant and hard to recoup a disappointed client. Since the opposition has developed the complex in the ongoing occasions it has turned into a Herculean errand for associations to assemble dedication, the reason being that the client of today is spoilt for choice. Retaining clients is a budgetary basic for Indian banks, particularly as drawing in new clients is impressively more costly than for practically identical, conventional, blocks and mortar stores. Seeing how or why a feeling of steadfastness creates in clients stays one of the significant administration issues of the present day. In progressively focused markets, having the capacity to manufacture steadfastness in shoppers by expanding their fulfillment is viewed as the key factor in winning the piece of the pie and creating the feasible upper hand. Imaginative courses for data innovation are utilized to give administrations. Without a doubt, e-keeping money is the innovative ponders and is picking up prevalence. E-managing an account is viewed as the beat of the country. It is critical for banks to urge clients to utilize e-managing an account. Banks-confided in business specialist organizations have the chance to use their existing connections to give the full scope of amazing confided in web business services to their clients.

In India, there is less number of studies being directed to distinguish how effectively the online channels are utilized by managing an accounting industry to expand Customer Perception. Consequently, this investigation tosses light on the E-keeping money administrations gave by the banks in the examination zone and this exploration think about makes an endeavor to analyze how banks are drawing in the different clients and how the clients are satisfied with the e-managing an account administrations given by the banks. This investigation will be useful to draw up assist arrangement for enhancing consumer loyalty with online-banking practices and go about as an optional information for additionally look into.

III. OBJECTIVES OF THE STUDY

The following are the specific objectives of the research objectives

1. To analyze the present e-banking scenario in Chennai city.
2. To study the extent of awareness and the usage of e-banking services in the study area.
3. To ascertain the customer's Perception regarding various Online banking services provided by public sectors banks
4. To know and associate the problems faced by the customer's Perception of public sector banks in using online banking services.

IV. RESEARCH METHODOLOGY

The researcher becomes taken through systematic studies has been hired. This study is based on an analytical and descriptive nature. It depends upon each primary and secondary statistics. The methodology is the details of the section which governs the

outcome of the studies. It encompasses and directs the researcher to perform the research in a methodical manner which ensures and enables the truthfulness of the effects. It deals with the statistics collected for the examine, assets of information, sampling plan the populace of the take a look at, vicinity of the research, instrument used to acquire statistics, approach of collecting records, analysis and interpretation of the gathered records with one-of-a-kind statistical equipment so that you can find out the strength of the accrued facts and barriers of the study. The secondary supply comprises to be had substances. Such as Banking Records, Journals, Magazines, Books, Websites, etc. The secondary records became composed from Head Quarters of every of the detailed public area financial institution and private region bank for the education and presence of the chapter, profile of the have a look at.

Statistical Analysis

The statistical tests have been used to analyze the data includes, Simple Percentage, ANOVA, Chi-square test, t-test, SPSS (Statistical Package for Social Sciences) version 21 was used to compute and analyze the data.

Sample size

In Chennai city, all of the essential banks have branches in this State. As it becomes felt that it might useful to strive a patron's delight among public zone banks. The public sector banks having the largest community of branches within the district had been identified. The further of public sector banks from e-banks had been diagnosed. In the district, banking sector has large quantity branches (15 branches) placed in the district, inside the equal branches thirteen, 200 clients. The pattern length was calculated to guarantee a sufficiently wide variety of respondents in each financial institution department. Thus, the subsequent formula has been used to estimate the populace sample size.

$$T^2 * p * (1-p)$$

Minimum Sample Size (n) =

$$m^2$$

Where:

n = required pattern size (minimum size)

t = Confidence degree at 95% (widespread price of 1.Ninety six)

p = Estimated fractional populace of subgroup

m = Margin of mistakes at five% (popular cost of zero.05)

As in step with the formula, the required sample size is 200 clients, therefore,

200 clients from public sectors banks had been selected sample. Out of 200 samples in public zone banks had been selected from Vellore district branches. Similarly, those samples are decided on the basis of Convenience sampling technique. The reasons for the usage of this sampling type are twofold. First, it offers an easy manner to obtain the uncooked information for the further evaluation. Second, it saves instances and costs since the respondents may be randomly decided on.

Table 1.1
Awareness of the Respondents on Online Banking Services - Test of Reliability

S. No	Factor	Cronbach's Alpha	Reliability
1	ATM	0.797	Acceptable
2	Internet banking	0.856	Good
3	Debit card	0.800	Good
4	Credit card	0.793	Acceptable
5	Mobile banking	0.908	Excellent
6	RTGS	0.851	Good
7	NNEFT	0.783	Acceptable
8	ECS	0.791	Acceptable

Source: primary data

It is evident from Table 1.1 that the calculated values of Cronbach's Alpha for all the online banking factors are higher than 0.7. Among the different factors, on the basis of test of reliability, awareness of the respondents about mobile banking services have been commended as 'excellent', while internet banking, debit card, RTGS, and different aspects of e-channel services have been commended as 'good', while ATM, credit card, NEFT, ECS, have been classified as 'acceptable', on the whole the online banking services according to the awareness of the respondents, have been found reliable.

Table 1.2
Overall View of Level of Perception of Respondents

S. No	Factors	Mean	Standard deviation	C.V.
1	ATM	56.92	11.146	19.58
2	Internet banking	55.55	11.077	19.94
3	Debit card	60.62	18.894	31.16
4	Credit card	64.52	11.085	17.18
5	Mobile banking	54.63	14.784	27.06
6	RTGS	55.66	15.146	27.21
7	NNEFT	60.00	13.318	22.19
8	ECS	64.18	14.827	23.10
9	Overall	472.15	80.88	17.13

Source: Primary data

It is evident from Table 1.2 that the Perception level of respondents based on factors credit card occupies the first place(mean 64.52 and Standard Deviation 11.085) followed by Electronic clearing services which occupies the second place (mean 64.18 and Standard Deviation 14.827) Debit card occupies the third place (mean 60.62 and Standard Deviation 18.894), National Electronic Fund Transfer occupies the fourth place(mean 60.00 and Standard Deviation 13.318), ATM occupies the fifth place (mean 56.92 and Standard Deviation 11.146), Real Time Gross Settlement occupies the sixth place (mean 55.66 and Standard Deviation 15.146) mobile banking occupies the seventh place(mean 54.63 and Standard Deviation 14.784) and Internet banking occupies the eighth place (mean 55.55 and Standard Deviation 11.077).

V. LIMITATIONS OF THE STUDY

The study has some limitations that need to be approved and addressed about the present study. The study is limited to banking sector located in Kerala only. The study is based on the opinion survey of customers. But, the opinion expressed may

differ according to time and situation. The findings of the study can't be comprehensive as the study is made covering a limited area namely at Chennai City.

SUGGESTIONS

Maintenance of minimum balance and restriction of free withdrawal in different bank ATM are noticeably painful to the rural and economically weaker segment customers. So, banking government must make the important association provide the banking service at zero stability to underneath poverty line customers. Uneducated clients have some problems of preserving the ATM playing cards and mystery password use on occasion and in this connection, customers are not capable of urgently direct the ATM machines to prevent the charge for the motive of e-banking. Hence addressing the above lacuna, systems and practices ought to be redefined as a consumer pleasant. To recognize the consumer needs and their grievances to assist them in establishing an account for brand spanking new clients a "may also I help you" counter can be created. All online banking offerings may be available in neighbourhood languages creating attention amongst rural customers by using engaging in academic campaigns approximately E-banking offerings. Customer needs to follow the policies and regulations to keep away from unnecessary frauds, misappropriation along with hackers and so on. Build clients' popularity in utilizing internet banking and bring consumer self-assurance and the reliability of the offerings presented by way of public area banks.

VI. CONCLUSION

The creation of stability accounting scheme to all citizens through authorities of India shall boom the corporate social obligation of the banking sector as nationally a crucial one. It extends the scope of banking offerings from control of clients' money to management and disbursement of the government fund to beneficiaries beneath diverse schemes. In addition to it, Industrialization rapid growth of urbanization, online trading, extended numbers of utilization of debit/credit score card have resulted in growing the complexity of work in banking zone. The guide paintings are not quick and precise. The answer of the puzzled workload handiest thru automation and e-banking services and preserving clean availability of those services to all strata of public wishes quite a few education and recognition programmes both to present personnel and clients. In this connection, in an effort to keep the connection among management and customers utilizing e-banking offerings, the emerging troubles are to be redefined from its originality to offer the offerings to all sort of customers in all places. In different words, thousands and thousands and hundreds of thousands of e-banking customers totally rely upon the e-banking offerings, not only for their bread and butter but also for his or her necessities of luxury goods. So it is evident that the Indian banking scenario is below the changing system from guy to gadget and additionally in the nature of progressing in privatization to automation.

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