

AN IN-DEPTH ANALYSIS OF E-BANKING SERVICES IN INDIA

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Abstract

Electronic banking, virtual banking, internet banking, and e-banking all refer to the same fundamental idea: using the internet to carry out financial operations. Account-to-account transfers, deposits, withdrawals, and loan and EMI repayments are a few of these actions. In the absence of internet banking, the current monetary system will falter. Many people believe that online banking is safer than conventional banking techniques. It consistently performs better than the industry norm for banking processes. The potential of internet banking in India has barely been explored. The banking sector is changing due to competition from new financial organisations and technological developments. The ultimate goal of the study is to raise awareness of the benefits of online banking. Implementing a secondary data research approach, this study gathered its data from publications that had already been written about electronic banking and were searchable and indexed by a number of web databases. The report's goal was to provide an update on the current status of internet banking in India by examining its achievements and shortcomings. Consumer satisfaction and loyalty have increased for banks thanks to online banking. Making their services easy for customers to use is the simplest way for banks to fulfil their duty to them. Providing such services through a variety of channels (online and offline) is part of this

Key words: *internet, electronic payments, e-banking, difficulties, and possibilities*

Introduction

"E-banking" is the word used to describe the delivery of financial services through the Internet, which lowers costs and increases customer access. The method by which a customer can do financial transactions online without physically visiting a bank is known as e-banking. Electronic banking is referred to in some form by the terms personal computer (PC) banking, Internet banking, virtual banking, online banking, home banking, remote electronic banking, and telephone banking. The most widely used terms are PC banking and Internet or online banking. It should be mentioned, nevertheless, that there are differences in the terminology used to refer to the various forms of electronic banking.

Internet-enabled mobile phones and personal digital assistants have made it easier for banking apps to move to mobile devices, giving rise to a new subcategory of electronic banking called mobile banking. The development of mobile banking as a channel seemed unlikely in 1999 and 2000. A bank's value proposition hinges on having or gaining the customer interface and offering a complete solution that meets the needs of the customer as new technologies disinter mediate old channels. A smart card is a recent development that offers the chance to make more money by acting as the perfect platform for more extensive services and

applications. Their corporate and business clients, banks have extensive experience offering corporate banking services to these clients. The bank offers its credit card transaction acquiring capabilities to both small and large retailers. When a customer has a trusting connection with a bank, they are less inclined to switch banks.

Objectives of the study

Determining the degree of E-Banking awareness among members of the service class is the main goal of the study,

1. Assessing the frequency of e-banking service uptake and the factors that affect it.
2. To evaluate a person's degree of happiness.
3. To acknowledge the difficulties faced by service class consumers of e-banking services (such as phone banking, ATMs, etc.).

Review of Literature

The following is a concise overview of the international research that is relevant to the subject of internet banking. From 2011 to 2016, Ansari, Seharish J., and Khan, Nisar A. (2017) examined the development and difficulties of e-banking in India in an effort to shed light on the state of retail electronic banking today. They found that the number of internet users jumped by a staggering 53.45% from 2,231,957,359 in 2012 to 3,424,971,237 in 2016. Additionally, the percentage of persons with internet connection increased from 31.8 percent in 2011 to 46.1 percent in 2016. The use of credit and debit cards has skyrocketed in the last several years. According to the survey, the use of credit cards increased at a compound annual growth rate (CAGR) of 22.25 percent over the study period, while the use of debit cards increased at a CAGR of 12.33 percent.

Compound annual growth rates in real-time gross settlement, nationwide electronic money transfers, and the Unified Payments Interface were all in the double digits following demonetisation, which took place between November 2016 and May 2017. The adoption of mobile banking has decreased in recent years. As the authors point out, the growing number of internet users presents a problem, and banks must be ready to satisfy the needs of their tech-savvy customers. Chauhan and Chaudhary examined the advantages of online banking from the viewpoints of banks and customers in a 2015 study. Between 2010 and 2014, the use of credit cards increased the least (11%) whereas mobile banking increased significantly (495.64%). The percentages of transfers made via RTGS and NEFT were 89.51% and 602.69%, respectively. They suggested that most banks now offer user-friendly internet banking, which is advantageous to both the institutions and their customers. The banks must still allay consumers' concerns on safety, security, and reliability, though.

Manikyam and Ratna (2014) examined how globalisation, privatisation, and liberalisation affected Indian banks. The results indicate that meeting the needs of their nation's citizens and business clients presents the most obstacles for Indian financial institutions. The study also emphasised the necessity of creating

knowledge-driven businesses in order to handle the difficulties posed by international banking competition. Crucial data is offered by the previously stated studies on the evolution and difficulties of online banking. The primary focus of the conversation is the banking industry's increasing reliance on technology. The subject of how the cashless economy would develop has not been addressed by the Government of India and the Reserve Bank of India, despite the current rate of internet use and the various initiatives they have done.

Haq and Khan (2013) examined the risks and opportunities facing the Indian banking industry. According to the demographic data that was reviewed, only 28% of bank customers use online banking. The survey found no age difference among online banking users that was statistically significant. It also demonstrated that internet banking is equally popular among men and women. It was shown that respondents' wealth and educational attainment were correlated with their adoption of online banking. The findings imply that banks should start a variety of programs right away to raise the financial literacy and ease of use of online banking among their customers.

Servon (2008) states this. Consumers no longer need to visit the bank in person to make deposits or withdrawals from their accounts. Technology advancements have led to an increase in the use of prepaid debit cards, direct deposits, and computerised banking. The methodology of research is defined as human activity centred on the application of intelligence and the study of matter. The discovery, interpretation, and development of techniques and systems for the improvement of human knowledge on a wide range of scientific problems relevant to our world and the cosmos is the main goal of applied research. A comprehensive collection of information about a specific subject is sometimes referred to as research. The strategy used when carrying out research for a certain project is known as methodology.

Research Methodology

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Methodology

It is a known method for carrying out research. Research methodology has various components. It explains why a specific approach or technique was selected and takes into account the reasoning behind the methods utilised in the study's context. Understanding the presumptions that underlie different approaches is also helpful, since it allows them to determine which approaches will work best for a given situation and which won't. Because various research methodologies may differ from one problem to the next, it is required to construct one specifically for each topic in order to handle it.

Suggestions

Due to the non-physical exchange, total transparency that creates a completely electronic marketplace, and client supremacy, internet banking would usher in an era of creative destruction. At the moment, the question "What should Indian banks do?" must be asked. The bank's online viability will be determined by the following elements, regardless of the alternatives and strategy selected: A bank may consider the following for long-term success: Taking a web perspective Making use of the benefit of being the first immigrant Understanding the necessary skills The ability to use simplicity to control complexity Senior management took the initiative to change the organization's focus from inside to external.

In this: Customers can become acquainted with the new environment by using the demo software on the bank's website. A tour of the included features ought to be part of this. Enhancement recommendations from users will be accepted and, if possible, integrated into future iterations. Account information and balances, a statement of account, transaction tracking, a mailbox, cheque book issuance, information on ceasing payments, and financial and personalised data are among the features offered by the second phase.

Conclusion

Online banking usage is expected to rise in the service industry. The service class is now not making full use of the services because of barriers including insecurity and apprehension about hidden prices. Banks can take steps to ease their customers' concerns through awareness campaigns and more pertinent advertising if they want e-banking to become popular with people of all ages and income levels. Additionally, banks must constantly provide new, tailored services to stay competitive in the face of growing customer demands.

E-banking is a cutting-edge tool that is rapidly becoming essential. It is a strategic tool that banks can use to stay profitable in the competitive and unstable market of today. The RBI's regulations on many facets of online banking and the availability of future technology to guarantee the security and privacy of e-transactions would surely help to accelerate the growth of online banking in India.

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