

A STUDY ON CUSTOMER PERCEPTION TOWARDS E-BANKING SERVICES OF SBI

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ABSTRACT

Electronic banking is the most incentive services offered by bank. Many people are shifting to E-banking and are readily accepting the usefulness of this option. It allows customer to manage their account from any place at any time for minimum cost. Electronic banking is the latest in the series of technology wonders in the recent part, involving use of internet for delivery of products and services. The Electronic banking has been evolving the environment with development of world web. The objective of the study is to know the customer perception towards E-banking services, to identify the factors that influence the customer in using E-banking services, to know the satisfaction level of customers while using E-banking services and problems faced by them. The sample size of the project is 100 respondents. The tools used in the project are percentage analysis, chi-square test, weighted average and ranking. SBI provides a good facility and it also given that in a free of cost. The privacy of the customer is also concerned in a good manner. SBI online banking plays an important role in day to day activities of the respondents.

KEY WORDS: *E-banking, Technology, Online, SBI*

1. INTRODUCTION

Banks today know better than anyone the opportunities and the risk they face in an ever-changing competitive environment. In offering e-commerce products, banks some key advantage over potential competitors. E-commerce would create opportunities for banks to strengthen their relationships with customer, sell additional services, and prevent encroachment on their business activities. Core banking is the services provided by a group of networked bank branches. Bank customer may access their funds and other simple transactions from any of the member branch offices.

E-Banking is the term used for new age banking. E-Banking is also known as online banking, internet banking or virtual banking, is an electronic payment system that enables the customer of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website. Internet banking is an outgrowth of PC banking. Internet banking is like bringing the bank to one's computer at the place and time of one's choice. Internet banking uses internet as a delivery channel by which to conduct banking activities such as transferring funds, paying bills, viewing checking and saving account balances, paying mortgages and purchasing financial instruments and certificate of deposits.

Now a day's information technology plays a vital role in banking sector. Day to day increasing change in technology world, it leads to improve e-banking services of various banks. Traditional branch model of bank is now changing into new form of E-banking services like kiosk marketing machine, coin vending machine of SBI. It provides various advantages to customer of various banks. Now a days people are educated more than olden days, today human lives become machine oriented and they don't have

enough time to visit bank branch than ever before. Thus, it would be a borderless entity permitting anytime, anywhere, anyhow banking.

2. PROFILE OF THE STUDY- STATE BANK OF INDIA

2.1 SBI

State Bank of India is the largest and oldest bank. Tracing its root back some 200 years to the British East India Company (and initially established as the Bank of Calcutta in 1806), the bank operates more than 15,000 branches within India, where it also owns majority stakes in six associate banks. State Bank of India (SBI) has more than 80 offices in nearly 35 other countries, including multiple location in the US, Canada and Nigeria. The bank has other units devoted to capital markets, fund management, factoring and commercial services, credit cards, and brokerage services. The Reserve Bank of India owns about 60% of State Bank of India.

2.2 ONLINE SBI

State Bank of India is India's largest bank with a branch network of over 11000 branches and 6 associate banks located even in the remote parts of India. State Bank of India. State Bank of India (SBI) offers a wide range of banking products and services to corporate and retail customers.

Online SBI is the Internet banking portal of State Bank of India. The portal provides anywhere, anytime, online access to accounts for State Bank's Retail and Corporate customers. The application is developed using the latest cutting edge technology and tools. The infrastructure supports unified, secure access to banking services for accounts in over 11,000 branches across India.

2.3 FEATURES OF E-BANKING

Online banking facilities offered by various financial institutions have many features and capabilities in common, but also have some that are application specific.

The common feature fall broadly into several categories and a bank customer can perform non-transactional tasks through online banking including:-

- Viewing account balances
- Viewing recent transactions
- Downloading bank statements
- Viewing images of paid cheques
- Ordering cheque books
- Download periodic account statements
- Downloading application for M-banking, E-banking etc;
- Fund transfer between the customer's linked accounts
- Paying third parties, including bill payments (see, eg., BPAY) and third party fund transfer (see, eg.,FAST)

- Investment purchase or sale
- Loan application and transaction, such as repayments of enrollments
- Credit card application
- Register utility billers and bill payments
- Financial institution administration
- Management of multiple users having varying level of authority
- The process of banking has become much faster.

2.4 PRODUCTS AND SERVICES PROVIDED BY SBI E-BANKING

- E- Ticketing
- SBI E-Tax
- Bill Payment
- RTGS/NEFT
- E-Payment
- Fund Transfer
- Third Party Transfer
- Demand Draft
- Cheque Book Request
- Account Opening Request
- Account Statement
- Transaction Enquiry
- Demat Account Statement
- Donation



3. STATEMENT OF THE PROBLEM:

Today all the banking sectors are providing lot of services to their customers. Although the e-banking services are offered by all the banks. It is a necessity to study whether all the banking customers are aware of the E-banking services. To get the highest satisfaction on the e- banking channels, a customer should have complete knowledge and awareness on various products and services offered by the bank and bankers should have ability to identify the type of services needed by a customer and rendered the same to his satisfaction. Hence the study is attempted to know “A study on customer perception towards E-banking of SBI”.

4. OBJECTIVES OF THE STUDY:

- To know the customer perception regarding E-banking services provided by SBI.
- To identify the factor that influences the customer in using E-banking services provided by SBI.
- To know the satisfaction level of customer about E-banking services.
- To study about the problems faced by the customer in using E-banking services.

5. RESEARCH METHODOLOGY:

5.1. Research design

The research is concerned with the study on customer perception towards E-banking services of State Bank of India in Coimbatore city, Purposive Random Sampling technique is used to collect the data.

5.2. Area of the Study

The study is undertaken in Coimbatore city.

5.3. Sample Size

The sample size for the study is 100 respondents, who are residing in Coimbatore city.

5.4. Data source

The researcher used both primary and secondary data, to accomplish the objective of the study.

5.4.1. Primary Data

The primary data is collected using descriptive structured questionnaire. The questionnaire is designed in a systematic manner covering adequate and relevant questions which is useful to the study.

5.4.2 Secondary Data

The theoretical aspects of the study is collected from various sources which includes books, journals, magazines, websites and other related projects.

5.5. Statistical Tools Used For the Study

The following statistical tools have been used to analyse the primary data.

- Simple Percentage Analysis
- Chi square Test
- Rank analysis

5.6. Period of the Study

The period of the study covers six months from November 2017 to April 2018.

6. LIMITATION OF THE STUDY

- The study is restricted to Coimbatore city only.
- Total number of respondents limited to 100.
- The response from the samples is based on the situation during the time of data collection and the genuineness of answering may vary.
- The researcher could fix the duration of the study only for six months due to paucity of time.

7. DATA ANALYSIS AND INTERPRETATION OF THE STUDY

TABLE 7

<i>Variables</i>		<i>No of respondents (n:100)</i>	<i>Percentage</i>
Age (in years)	Below 30 years	75	75%
	30-40 years	13	13%
	40-50 years	7	7%
	Above 50 years	5	5%
Gender	Male	58	58%
	Female	42	42%
Occupation	Business	14	14%
	Private employee	47	47%
	Government employee	4	4%
	Professionals	7	7%
	Others	28	28%
Education Qualification	SSLC	14	14%
	HSC	17	17%
	UG	46	46%
	PG	16	16%
	OTHERS	7	7%
Annual Income	Less than 2,00,000	55	55%
	2,00,001-5,00,000	38	38%
	5,00,001-10,00,000	6	6%
	Above 10,00,000	1	1%
Availing SBI account	Less than 1 year	24	24%
	1-3 years	50	50%
	3-5 year	15	15%
	Above 5 year	11	11%
Types of Account	Savings account	64	64%
	Current account	25	25%
	Fixed account	11	11%

Source: Primary Data

INTERPRETATION:

From the above table 1 it is clear that out of 100 respondents who have been taken for the study, majority 70% of the respondents belong to the age group of below 30 years. The classification based on gender reveals that 58% are male. The occupation reveals 47% of the respondents are Private Employee. The educational qualification reveals 46% of the respondents are UG level. The income level shows that 55% of the employees earn annual income less than Rs.2,00,000. The 50% of the respondents availing SBI account from 1-3 years and 64% of the respondents holding Savings account in SBI.

7.1 CHI-SQUARE:

Chi-square is applied to find the relationship between the personal factors (occupation and age) with activities most preferred while using e-banking services, Types of account hold in SBI and E-channels most preferred by the respondents

7.1.1. TABLE SHOWING OCCUPATION OF THE RESPONDENTS AND THE ACTIVITIES MOST PREFERRED WHILE USING E-BANKING SERVICES

Hypothesis: There is no significant relationship between occupation of the respondents and the activities most preferred while using e-banking services

7.1.1.a. TABLE SHOWING CHI-SQUARE TEST

Table value	Calculated value	Degree of freedom	Significance/No Significance	Accept/Reject
26.296	33.49406	16	Significance	Rejected

INTERPRETATION

In the above analysis, the calculated value (33.49406) is more than the table value (26.296) at the significance level 0.05. Hence, null hypothesis rejected and there is a significant relationship between the occupation and activities preferred more while using E-banking services.

7.1.2. TABLE SHOWING THE AGE OF THE RESPONDENTS AND TYPES OF ACCOUNT HOLD IN SBI

Hypothesis: There is no significant relationship between age of the respondents and types of account hold in SBI

7.1.2.b. TABLE SHOWING CHI-SQUARE TEST

Table value	Calculated value	Degree of freedom	Significance/No Significance	Accept/Reject
12.592	5.7375	6	No significance	Accepted

INTERPRETATION

In the above analysis, the calculated value (5.7375) is less than the table value (12.592) at the level of 5% significance. Hence, null hypothesis accepted and there is no significant relationship between age and type of account holding in SBI.

7.1.3. TABLE SHOWING THE AGE OF THE RESPONDENTS AND E-CHANNELS MOST PREFERRED BY THE RESPONDENTS

Hypothesis: There is no significant relationship between age of the respondents and e-channels most preferred by the respondents

7.1.3. c) TABLE SHOWING CHI-SQUARE TEST

Table value	Calculated value	Degree of freedom	Significance/No Significance	Accept/Reject
16.919	7.4159	9	No significance	Accepted

INTERPRETATION

In the above analysis, the calculated value (7.4159) is less than the table value (16.919) at the level of significance. Hence, null hypothesis accepted and there is no significant relationship between the age and e-channels most preferred by the respondents.

7.2. RANK ANALYSIS

7.2.1. TABLE SHOWING THE PREFERENCE OF E-BANKING SERVICES OF THE RESPONDENTS

TABLE 7.2.1.d

E-banking services	1	2	3	4	5	6	7	Total	Rank
E-Ticketing	9	36	51	72	50	48	140	406	IV
Recharging	25	40	24	76	75	60	21	321	II
Shopping	24	32	48	64	75	60	21	324	III
Online payment	23	44	72	28	50	42	49	308	I
E-Tax	10	24	54	56	35	108	147	434	VI
Fund transfer	5	22	45	68	120	102	77	439	V
RTGS	5	4	9	36	75	186	245	560	VII

Source: Computed

INTERPRETATION

The various preferences of E-banking services is stated in the table 4.2.1. The factor with lowest score is placed with first rank and the factor with highest score is placed with seventh rank. The online payment is ranked 1st, followed by recharging is ranked 2nd, followed by shopping is ranked 3rd, further followed by e-ticketing is ranked 4th, followed by fund transfer is ranked 5th, further followed by E-Tax is ranked 6th and least rank is for RTGS.

7.2.2. TABLE SHOWING THE FACTORS THAT ENCOURAGES WHILE USING E-BANKING SERVICES OF THE RESPONDENTS**TABLE 7.2.2.e**

Factors	1	2	3	4	5	6	7	Total	Rank
Safe & security	12	50	60	44	40	54	105	365	IV
Easy accessibility	20	40	36	68	65	54	63	346	III
Time & money saving	23	32	48	52	85	72	21	333	II
Easy to use	28	40	45	76	75	18	0	282	I
Less time consuming	8	14	27	72	85	135	63	404	V
Provide innovative and efficient	7	14	30	48	110	114	161	484	VI
Digital bank	3	12	21	40	40	144	294	554	VII

Source: Computed

INTERPRETATION

The various factors that encourages while using e-banking services in stated in above table 4.2.2. The factor with lowest score is placed with first rank and the factor with highest score is placed with seventh rank. Easy to use is ranked 1st, followed by time and money saving is ranked 2nd, followed by easy to accessibility is ranked 3rd, followed by safe and security is ranked 4th, followed by less time consuming is ranked 5th, provide innovative and efficient is 6th and least rank is for digital bank.

8. FINDINGS, SUGGESTION AND CONCLUSION**8.1.FINDINGS:****8.1.1.PERCENTAGE ANALYSIS**

The major findings of this study are

- Majority of 58% of the respondents are male.
- Majority of 75% of respondents are below 30 age.
- Most of 46% of respondents are UG.
- Most of 47% of respondents are private employee.

- Majority of 55% of respondents are having annual income of less than 2,00,000.
- Most of 50% of respondents are availing SBI account
- Majority of 64% of respondents are using savings account

8.1.2. CHI-SQUARE ANALYSIS

- There is a significant relationship between occupation and activities preferred more while using E-banking services.
- There is no significant relationship between age and types of accounts hold in SBI.
- There is no significant relationship between age and e-channels most preferred by the respondents.

8.2. SUGGESTIONS:

- The customer needs to inform about online saving a/c on the mass level.
- The online banking nowadays mostly focuses towards the customers
- It should be made easy and it should maintain the feedback portion if the customer also.
- Standalone internet along with guidance staff should be provided in all branch of SBI for opening saving account through online mode.
- Bank can do necessary correction in the security system in online banking to that bank can increase the no of customer using online banking.
- Good incentive must be given to concerned person for opening of saving account through online mode. At present it is very low.
- Bank can do some internship programs in various management colleges to make this scheme popular.
- SBI must take feedback of customers regarding customer views and convenience in the online banking.

8.3. CONCLUSION:

As per the analysis the researcher has done it is found that the SBI online banking is most convenient and it is trust worthy. The respondents are all neutral about the services rendered by SBI in the online banking services. It should develop the quality of service. The awareness about the online banking in SBI will promote it to the next level.

Internet banking has facilitate customer in many aspects like time saving, less efforts, ease in doing transaction. Within Coimbatore city, due to industrial base and educational institutes, majority are using internet banking services of SBI. These respondents are from different sectors. In case of quality dimension of privacy of information it seems that the respondents trust SBI bank. The difference in service quality arise mainly because of skilled human resource and culture of bank. SBI is also coming with new innovative ideas to satisfy customers.

The researcher world also prefer that using the online banking is very common and easy nowadays. As a public bank SBI provides a good facility and it also given that in a free of cost. The privacy of the customer is also concerned in a very good manner. SBI online banking plays an important role in the day today activities of the respondents. Thus we know the need and necessity of the online banking in Coimbatore city.

