

CUSTOMERS PERCEPTION ON E-SERVICES IN TODAY'S ECONOMICAL ENVIRONMENT

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ABSTRACT

E-Banking has over-performed all the obsolete banking practices and the threat of security measures has also been growing with it. Researchers are trying to find out the ways to cover up this risk in the E-Banking and make it more sophisticated for everyone. There are huge amount of issues related to E-Banking available on the internet. Electronic banking, also known as electronic funds transfer (EFT), is simply the use of electronic means to transfer funds directly from one account to another, rather than by cheque or cash.

Keywords:

Service quality, Brand perception, Perceived value, Satisfaction, E-Banking

Introduction

The electronic banking in today's world brings the whole country in their hands with easy use. Various applications have been introduced by the commercial operators to make use of their services provided. They provide built in help modes to rectify the doubts and the errors. Hence, the commercial activators are highly seeking for their freedom on trade activities through the help of electronic banking services. NEFT, RTGS, Cheque Truncation System, clearing operations, Core Banking Services etc., are made easy for applicability. Easy to Use, Cost Effectiveness, Fulfillment, Efficiency, Security/Assurance, Responsiveness, Convenience, Problem Handling and Compensation are predictors of perceived value in e-banking.

Internet Banking

Internet banking has become very much popular now a day's throughout the globe. It has made the banking activities easier, faster and more accessible. Now people are trying to learn more about the E-banking. The primary objective of the conference is to get the full acquaintance of the internet banking and its benefits. E-Banking has revolutionized to days banking by making it very fast, easy and far reaching. The expectations are growing at very fast speed on the E-Banking services. With the result, it is demanding more attention for study from various people around the globe. Huge volume of research has been done and is still going on different issues of E-banking. Many researchers have helped the customers, the bankers, and other dependent institutions in understanding various aspects of E-banking.

Objectives of the Study

1. To know how the internet banking has revolutionized the banking sector.
2. To help the learner's to know about the current concerns in the internet banking.
3. To know how challenging internet banking has become and how the banking sector applies different strategies to cope up with the challenging environment including issues & threats.

Hypothesis of the Study

1. There is no significant relation between current trends of e-banking services and demographic profile of the respondents.
2. There is no significant association between demographic variables and motivational factors.
3. There is no significant association between the level of satisfaction and the services provided by electronic banking environment.

Research Methodology

The present study is an empirical one. Field survey method and personal interview technique have been adopted for the collection of the required data from the selected respondents.

Sampling Procedure

Random sampling technique has been adopted for the study. Erode District has been selected purposively because of its unique characteristics. Erode district has been one of the industrially and educationally developed district of Tamil Nadu state. The other considerations like proximity, financial and time factors have also contributed to select the particular district for an in-depth study with a sample of 376 respondents.

Tools Used

Average Score Analysis

After converting the qualitative information into a quantitative one using a five point scale, the average scores were obtained on various issues to determine the mean scores regarding satisfaction regarding services. Parametric test of two sample t-Test and One way analysis of variance for more than two groups are applied to for judging the significance of the difference between means scores after testing the normality by Q-Q plot.

Garrett Ranking

Garrett ranking has been used to find out the most influential factor in motivating the users towards e-banking services. As per this method, respondents have been asked to assign the rank for all factors and the outcomes of such ranking have been converted into score value with the help of the following formula:

$$\text{Percent position} = 100 (R_{ij} - 0.5) / N_j$$

Where R_{ij} = Rank given for the i th variable by j th respondents

N_j = Number of variable ranked by j th respondents

With the help of Garrett's Table, the percent position estimated is converted into scores. Then for each factor, the scores of each individual are added and then total value of scores and mean values of score is calculated. The factors having highest mean value is considered to be the most important factor.

PERIOD OF STUDY

The primary data required for the study have been collected from the respondents during the year 2015 – 2016.

Mobile banking

Mobile banking is a system that allows bank customers to conduct different financial transactions through a mobile device, being the newest service in electronic banking; mobile banking relies on WAP (Wireless Application Protocol) technologies since a mobile device requires a WAP browser installed in order to allow access to information.

Types of E-Banking Services

- a. Deposits, withdrawals, inter-account transfer and payment of linked accounts at an ATM;
- b. Buying and paying for goods and services using debit cards or smart cards without having to carry cash or a cheque book;
- c. Using a telephone to perform direct banking-make a balance enquiry, inter-account transfers and pay linked accounts;
- d. Using a computer to perform direct banking-make a balance enquiry, inter-account transfers and pay linked

E-Finance providing services through electronic channels

E-Banking

- Internet banking
- Telephone banking
- Other electronic delivery channels

Other Financial Service Providers

- Insurance
- On-line brokering

Forms of e-banking

- Internet Banking
- Automated Teller Machine
- Tele banking
- Smart Card
- Debit Card

Other forms of Electronic Banking

- Direct Deposit
- Electronic Bill Payment
- Electronic Check Conversion
- Cash Value Stored, Etc
- E-Cheque

Age wise Satisfaction regarding Services

The relation between age and level of satisfaction regarding services rendered by the E-banking is shown in Table 1.1.

TABLE No.1.1
AGE WISE SATISFACTION REGARDING SERVICES

| age | F | Range | | Mean | SD | Mean % | ANOVA | p |
|--------------|-----|-------|-----|----------------------|------|--------|-------|-------|
| | | Min | Max | | | | | |
| 26-30 | 88 | 70 | 100 | 81.70 ^{a,b} | 5.86 | 71.05 | 2.322 | 0.056 |
| 31-35 | 89 | 66 | 94 | 80.24 ^{a,b} | 6.18 | 69.77 | | |
| 36-40 | 96 | 63 | 92 | 81.16 ^{a,b} | 5.40 | 70.57 | | |
| 41-45 | 54 | 69 | 96 | 82.54 ^b | 5.88 | 71.77 | | |
| Above 45 | 49 | 71 | 90 | 79.80 ^a | 4.03 | 69.39 | | |
| Total | 376 | 63 | 100 | 81.09 | 5.66 | 70.51 | | |

Source: Computed by the researcher

As it is clear from the Table the level of satisfaction ranges from 70 to 100 for respondents in the age group of 26-30 years, 69 to 96 for 41-45 years old respondents, 71 to 90 for those who are older than 45 years, 66 to 94 for 31-35 years old and 63 to 92 for those who fall in the age group of 36 to 40 years. The level of satisfaction regarding the services provided by the banking sector is maximum for the respondents in the age group of 41-45 years. Further, since the p value is greater than 0.05 at 5 percent level, there is no significant association between the age and services rendered by banking sector.

Preference for E-Services

The respondents have been asked about their preference for E-Services. Their reasons for preferring e-services in the banking environment are presented in Table 1.2.

Table No.1.2
Preference for E-Services

| Reasons | No. of Respondents | Percentage |
|-------------------|--------------------|---------------|
| Easy access | 123 | 32.7 |
| Time Saved | 80 | 21.3 |
| Multiple Options | 16 | 4.2 |
| Simple procedures | 142 | 37.8 |
| Fastened Strategy | 15 | 4.0 |
| Total | 376 | 100.00 |

Source: Computed by the researcher

Simple procedure has been ranked as first by 142 respondents accounting for 37.8 percent and 123 respondents with 32.7 percent has ranked easy access as second. Only 80 respondents have ranked time saving factor as third. Multiple Options of work performed and Fastened Strategy have been ranked as fourth and fifth respectively by the respondents.

In order to identify the most influential factor Garrett rank analysis has been used and the results are given in Table 1.2a.

**Table No.1.2a
Garrett Rank**

| Factors | Mean | Std. Deviation | Garrett score | Garrett Rank |
|-------------------|-------------|-----------------------|----------------------|---------------------|
| Easy access | 2.03 | 1.10 | 64.67 | I |
| Time Saved | 5.73 | 0.83 | 25.88 | V |
| Multiple Options | 4.22 | 1.16 | 43.82 | IV |
| Simple procedures | 2.32 | 1.45 | 62.27 | II |
| Fastened Strategy | 3.28 | 1.30 | 52.16 | III |

It could be noted from the above Table that among the five factors “Easy access” has been ranked first. It is followed by the “Simple procedures” and “Fastened Strategy”. Multiple Options has been given fifth rank which is followed by Time Saving factor. It is concluded that the percentage analysis and Garrett Scoring slightly difference in analysis. Hence, it is feasible to use Garrett Scoring for analysis in business factors.

Outcomes of the Study

1. Service quality and users satisfaction on electronic banking applications.
2. Brand reputation and users satisfaction towards commercial application providers.
3. Perceived value of the conceptual users.
4. Conceptualization and Measurement of respondents satisfaction.
5. Issues faced by the banking sectors in E-services.
6. Threats faced by both the bankers and the customers.

FINDINGS

- Age wise distribution reveals that 25.53 percent are in the age group of 36-40 years and they are interested in using online e-services for their banking activities.
- Among the five factors “Easy access” has been ranked first. It is followed by the “Simple procedures” and “Fastened Strategy”. Multiple Options has been given fifth rank which is followed by Time Saving factor.
- Overall level of satisfaction of the users of E-banking services in today’s business ranges between 63 percent to 100 percent.

Suggestions

- All the users should come forward to use e-services to support for Digital India Schemes.
- The public must intend to learn on all the applications provided by the service providers online.
- Any sort of queries can be discharged easily using e-banking services.

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