

AN EMPIRICAL STUDY ON CUSTOMERS PERCEPTION TOWARDS E-BANKING SERVICES WITH SPECIAL REFERENCE TO VISAKHAPATNAM CITY

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Abstract:

Indian Banking has gone through enormous changes since independence. Introduction of new technologies, economic uncertainties, fierce competition and changing demand of customers created a competitive scenario for banks. Electronic banking is one of the truly widespread avatars of E-commerce the world over. Various authors define EBanking differently but the most definition depicting the meaning and features of E-Banking are as follows: “E-Banking is a combination of two, Electronic technology and Banking. For the study both primary and secondary data have been used . the primary data have been collected from the 200 people by using a structured questionnaire and the data was analyzed by using a simple percentages. The study concluded that 90% of the customers are aware about E-banking and but 33% of the respondents were using the E-banking

Keywords : E-banking, Internet banking, customer satisfaction

I. INTRODUCTION

Indian Banking has gone through enormous changes since independence. Introduction of new technologies, economic uncertainties, fierce competition and changing demand of customers created a competitive scenario for banks. In today’s fast moving life and highly competitive environment, the banking sector has to understand and analyze the customer’s perception and requirements for service quality. To attain the high level of customer satisfaction and to retain the customer base, it is important for the banks to deliver quality services to its customers. The term service quality can be termed as a significant determinant of competitiveness for establishing the sustainable and satisfying relationships with customers. Persuraman et.al (1992) defined service quality as the customer’s comparison

between service expectation and service performance. Customer satisfaction is a measure of how products and services provided by any organization meet the expectation of a customer. The efficiency of the banking sector depends on how it delivers the services to its existing customers. To survive in this competitive environment, it is important for banks to provide fast and efficient services to its customers. (Singh & Gupta, 2016) Electronic banking is one of the truly widespread avatars of E-commerce the world over. Various authors define EBanking differently but the most definition depicting the meaning and features of E-Banking are as follows: “EBanking is a combination of two, Electronic technology and Banking.”

Electronic Banking is a process by which a customer performs banking Transactions electronically without visiting a brick-and-mortar institutions.” “E-Banking denotes the provision of banking and related service through Extensive use of information technology without direct recourse to the bank by the customer. (RANI*, 2012). The importance of E-banking has been increasing every day due to availability of technology and cheaper cost comparatively physical transactions and convenience but how far the customers are using E-banking services and their opinion about E-banking services to be known for better implementation or for providing better services in order to satisfy the customer and make him utmost happy by considering this gap , the study has initiated customer satisfaction towards E-banking services with reference to Visakhapatnam city.

2. OBJECTIVES OF THE STUDY

1. To review the existing literature of the work
2. To know the customers perception towards E-banking services
Methodology of the study
For study we have used both the primary data and secondary data , the primary data was collected from the 200 people by using a structure questionnaire who are residing in Visakhapatnam , the sampling method which we followed is convenient sampling method and the data was analyzed by using simple percentages.

Limitations of the study

1. The main limitation of the study is sample size is very less
2. The points which we covered in questionnaire also confined to the few points of E-banking

3. LITERATURE REVIEW

Reddy and reddy (2015) carried out a research on customers perception and satisfaction towards Electronic banking in Khammam district . for the study they have used the self administered questionnaire and the sample size which they had taken was 200. The study revealed that 70% of the people are satisfactory with E banking services.

Mathivanan & Kavitha (2015) did a research on consumers perception towards ICICI Banking services by using a sample of 50 customers with structured questionnaire and they concluded that e banking helps to improve the growth of the business.

(Srivastava, 2007) carried out a research on customers perception on usage of Internet of Banking by taking a sample of 500 people . the study revealed that Education, gender and income plays a major role in usage of internet banking.

(Singh & Gupta, 2016) did a research on customer perception and satisfaction towards services of public sector Banks and Private sector banks by using sample of 900 people from covering Punjab, haryana and himachal Pradesh and the study concluded that public sector are more effective than private sector banks in terms of tangibles . private sector banks were more reliable due to proficiency in service industry.

(RANI*, 2012) Carried out a research on customer perception towards E-banking in Forezepur District by taking a sample of 300 people with a structured questionnaire and the data was analyzed by using ANNOVA technique. The study concluded that 60% of the people were positive about Ebanking but only 52% of the people were using the E-banking.

(M.E.DoddaRaju & Dr.T.NarayanaReddy, 2014) conducted a study on customer

perception towards E-banking services of public sector banks and private sector banks with special reference to chittor district by taking a sample of 196 . The study concluded that demographical factors were mainly influenced the E-banking services.

(Vinayagamoorthy & Vinayagamoorthy, 2015) rural consumer perception towards Internet banking services in Salem District by taking a sample of 100 people. the study found that internet banking was a most powerful to improve the customer satisfaction .

(Giddaiah & Karamala, 2014) conducted a study on customers attributes in the usage of core banking services: an empirical investigation by taking a sample of two fifty people from nandyala town. The study found that customer s preference were given to the following attributes convenience, availability of place, safety and security , reliability.

4. RESULTS & DISCUSSIONS

1. To study the relation of family income and awareness level of respondents regarding E-Banking. Table 1. Showing The Relationship Between Family Income And Awareness Level

FAMILY INCOME	YES	NO	TOTAL
< 2 LAKHS	68	4	72
2-4 LAKHS	66	7	73
4-6 LAKHS	34	6	40
>6 LAKHS	12	3	15
TOTAL	180	20	200

Source: Primary Data

From the above table it is clear that 180 (90%) respondents are aware about E-Banking. Only 20 (10%) respondents not aware about E-banking services.

2. To study how many people are using E-banking services frequently?

TABLE 2. Showing the No. of Respondents Who are using the E-Banking Services Frequently

FAMILY INCOME	YES	NO	TOTAL
< 2 LAKHS	38	49	87
2-4 LAKHS	21	45	66
4-7 LAKHS	5	28	33
>6 LAKHS	2	12	14
TOTAL	66	134	200

Source: Primary Data

Out of 200 respondents who are aware about E-banking Services only 66(33%) are using the E-banking Services. One reason for not using the E-banking services by the other respondents is that people are less educated in these areas. So they hesitate in using computer and internet.

2. To study the loyalty of customers with bank?

TABLE 3. Showing the No. of Respondents Who are loyal towards bank

FAMILY INCOME	<1 YEAR	1-5 YEARS	5-10 YEARS	>10 YEARS	TOTAL
<2 LAKHS	35	37	0	0	72
2-4 LAKHS	12	64	2	0	78
4-8 LAKHS	2	32	1	0	34
>6 LAKHS	0	15	0	0	15
TOTAL	49	148	3	0	200

Source: Primary Data

From the above table it is observed that the customers are loyal for the certain period of time only .

3. To study the level of satisfaction by E-Banking services.

TABLE 4. Showing the No. of Respondents Who are level of satisfaction towards E-banking services.

FAMILY INCOME	YES	NO	TOTAL
< 2 LAKHS	66	6	72
2-4 LAKHS	66	10	76
4-9 LAKHS	30	7	37
>6 LAKHS	12	3	15
TOTAL	174	26	200

Source: Primary Data

From the above table it is clear that 174 (87%) respondents are having satisfaction about E-Banking. Only 26 (13%) respondents not satisfied about E-banking services.

4. To know the opinion of respondents regarding E-Banking is time saving process.

TABLE 5. Showing the respondent's views regarding time saving nature of e- banking

FAMILY INCOME	Very uncomfortable	uncomfortable	so-so	comfortable	Very comfortable	TOTAL
<2 LAKHS	0	6	9	33	24	72
2-4 LAKHS	1	3	6	37	29	76
4-10 LAKHS	0	1	7	7	14	29
>6 LAKHS	0	1	6	4	12	23
TOTAL	1	11	28	81	79	200

Source: Primary Data From above data it is clear that 81+79=160 (80%) respondents view E-Banking as time saving process. 28(14%) respondents are neutral. 12(6%) respondents have negative views.

6 . To know the opinion of respondents regarding E-Banking is Easy to use

TABLE 6. Showing respondent's views regarding easy to use of e-banking services

FAMILY INCOME	Very uncomfortable	uncomfortable	so-so	comfortable	Very comfortable	TOTAL
< 2 LAKHS	4	5	7	38	18	72
2-4 LAKHS	0	2	18	35	21	76
4-11 LAKHS	0	1	7	13	16	37
>6 LAKHS	0	0	6	4	5	15
TOTAL	4	8	38	90	60	200

Source: Primary Data

From the table 6, result is 90+60= 150 (75%) respondents said E-Banking is Easy to use. 38(19%) respondents are disagree that E-Banking is easy to use; because these people have less knowledge about computer and information technology; so for them it takes time to use E-banking services.

7. To know the opinion of respondents regarding E-Banking Provides safety and security

TABLE 7. Showing respondent's views regarding e-banking Provides safety and security

FAMILY INCOME	Very uncomfortable	uncomfortable	so-so	comfortable	Very comfortable	TOTAL
< 2 LAKHS	0	7	8	10	47	72
2-4 LAKHS	0	0	7	7	62	76
4-12 LAKHS	0	0	0	2	34	36
>6 LAKHS	0	0	0	0	16	16
TOTAL	0	7	15	19	159	200

Source: Primary Data

From table 7 it is clear that 159+19= 178 (89%) respondents said E-banking provides safety & security. Only 7 (0.3%) respondents have negative views. Others are neutral on this.

5. CONCLUSION

Due to technology availability now a days people are aware about E-banking and using but the proportionate of people who are using E- banking should increase up to 100 % level for this banks need to create much awareness and need to create awareness about frauds in internet banking/Ebanking so that they will take pre4cautionary steps .

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