

A STUDY ON THE CONSUMER PERCEPTION TOWARDS THE USE OF E-BANKING SERVICES WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

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Abstract:- E-Banking is a rapidly changing and evolving sector. People are only beginning to wake up to its vast possibilities. The present study is conducted with a view to know the satisfaction of customers availing E-Banking services. As there are no studies to measure the effectiveness and impact of benefits of E-Banking, specially referring to Coimbatore , the present study is attempted. The study is conducted with a view to know the perception of customers towards E-Banking services in coimbatore. Detailed study of the subject is being helpful to the form to understand what are to be strength and weakness of the topic within people in and around.the study examines the connection between electronic banking service quality and customer satification. The study used a survey research approach 500 participant were selected randomly for the study. The study shows majority of the people are aware about the E-banking services and satisfied with e-banking services

Keywords–Ebanking,consumerperception,mobilebanking,bankingsystem,Electronictransfer

I .INTRODUCTION

Perception is the process by which we organize and interpret our sensory impressions in order to give meaning to the environment. According to Stephen P Robbins “Perception is a process by which individuals organise and interpret our sensory impressions in order to give meaning to their environment.

Internet banking is the term used for new age banking system. Internet Banking is also called as online banking and it is an outgrowth of PC banking. Internet banking is a result of explored possibility to use internet application is one of the various domains of commerce. Internet banking uses the internet as the delivery channel. Private banks in India were the first to implement internet banking services in the banking sector. They took the internet application as a weapon of competitive advantage to corner the other established banks.

It is a service that allows customers to access their information conduct financial transaction and make deposits withdrawals and pay bill through internet without physically visit their bank. It provides convenience of accessing banking facilities with comfort from their home or office and

it is name used for new age banking system. E-Banking is a global phenomenon which is preciously influential for heavy development supporting growth promoting innovation and enhancing competitiveness. Banking services gives us 24/7 access to their account but it goes a step further by allowing customers to conduct more complicated transactions like bill payment ,Net banking service via internet with advance system such as applying for loans, downloading information and checking slips. It benefit for both customers and bank

From bank’s perspective E-Banking enable banks to lower operational cost through the reduction of the physical facilities and staffing resource required reducing wanting times in branches resulting potential in state performance and a larger global research. From customer perspective E-banking allows customers to perform a wide range of banking transaction electronically via banks, websites and anywhere. In addition customers no longer are confined to the opening of hours of banks travel and waiting times are no longer necessary and access of information regarding banking service is now easily available.

Information technology in the form of E-Banking plays a significant role in providing better services at lower cost.

Several innovative IT based services such as ATM, Net banking, Mobile banking and anywhere anytime banking provided number of convenient services. Today the relevance of internet banking has been increased due to demonetization. People are switched from traditional banking system to intermediate banking system. So in the near future the scope of internet banking has been very wide.

II .LITERATURE REVIEW

It is relevant to refer briefly to the previous studies and research in the related areas of the subject to find out and to fill up the research gaps, if any. The success of today's banking system without information technology and communication is of a rare dream. It has enlarged the role of banking sector in the economy with quick and easy process for financial transactions and payment. The banks with the latest technology and techniques are more efficient in facing the competitive financial market and succeed. Various empirical and theoretical studies have been undertaken at national and international level to analyze the impact of e-banking and information and communication technology on banking sector, customers, service quality and payment system. The review of following studies throws light upon different aspects of E- Banking.

K. N. C. Nair (2005)[1] in his research paper entitled, "E-Banking : Growing Big" discussed the recent trends in E-banking and he focused on federal bank-IT initiatives, our recent IT initiatives, Achievements of IT in banks and problems of E-Banking. The author concluded that banking being highly information-intensive, it is only logical to use IT as an effective enabler and facilitator for meeting the requirement of banks and their customers. With changing lifestyle of customers , they need new products and convenient delivery channels, which can be provided only by enabling technology.

V.P. Gulati and M.V. Sivakumaran (2006)[2] in their research paper entitled "E-Learning in Banking : Perspectives and Initiatives", discussed the emerging perspectives in e-learning. The need to re-orient traditional training systems is to offer web-based learning by taking full advantage of the internet technology . He suggested that IDRBT initiatives in providing e- learning to bankers in India and the emerging challenges for the training system in this regard are considered and commented upon. The paper emphasised the paramount need for organization to get into the continuous learning mode to succeed and survive in the knowledge era. Thus , an examination of the above review of literature suggested that the studies on computerization in banking are very few. Even those studies have not made any attempt to examine the impact of computerisation on performance of banks, which is an important issues in the present context. Considering this in view, this study examined the impact of computerization in public sector banks in Andhra Pradesh with special reference to Andhra bank and State Bank of Hyderabad.

Uppal R.K. (2008)[3] described in his study on "Customer perception of E-Banking services of Indian banks" that in the post Liberalisation, privatisation and Globalisation (LPG) era and information technology era, transformation in Indian Bank is taking place with different parameters and the curve of banking services are dynamically altering the face of banking from traditional banking to e-banking. The study empirically analysed the quality of e-banking services in the changing environment. It concluded that most of the customers of e-banks are satisfied with the different e-channels and their services, but the lack of awareness is a major obstacle in the spread of e-banking services.

Ahasanul Haque, Arun Kumar Tarofder, Sabbir Rahman and Md Abdur Raquib (2009) carried out a research entitled "Electronic transaction of internet banking and its perception of Malaysian online customers". The purpose of this research is to find out significant factors of consumers" perception on e-banking transaction by Malaysian bank consumers. The study utilized a combination of theoretical frameworks and quantitative techniques to testify the statistical relationships between consumer perceptions on e-banking transaction. Meanwhile factor analysis was performed to extraction and make initial decision on the number of factors underlying asset of measured variables of interest. Thereafter, Structural Equation Mode (SEM) was estimated to anticipate the effects of the explanatory variables. This study showed that only protect transaction, have significant impact on consumers" perception about e-banking security, followed by service quality and regulatory frame work issues.

Mohammed Ossain and Shirly Leo (2009) [5] carried out a study on "Customer Perception on Service Quality in Retail Banking in Middle East: The case of Qatar" with the purpose to evaluate the service quality in retail banking in the Middle East in general and Qatar in particular, based on different levels of customers" perception regarding service quality. It indicated that customers" perception is highest in the tangible area and lowest in the competence area.

Zarehan Selamat, Nahariah Jaffar, Ong Hway Boon (2009)[6] carried out a study on "Technology Acceptance in Malaysian Banking Industry" to examine the determinant factors and acceptance of Information Technology in the Malaysian banking industry. The Technology Acceptance Model (TAM) was employed to study the perceived usefulness, perceived ease of use, social pressure, perceived enjoyment and fun, as well as the perceived complexity of IT usage and acceptance of Malaysian bankers. A survey was conducted by distributing questionnaires to a randomly selected sample of 200 bankers located within the Klang Valley, in Malaysia. The location of the survey was selected in view of its advancement, development and implementation of IT applications as compared to other locations in Malaysia. The results of the study established that perceived usefulness was most influential in determining microcomputer usage among bankers in Malaysia. Overall,

the results of this study are valuable to both researchers and bank management in providing new insights about the IT from bankers' point of view.

III .METHODOLOGY

For the study, the data were collected from both primary and secondary sources. The primary data have been collected through a well designed questionnaire. The secondary data are collected from internet, books, websites and newspapers .E-Banking is a safe, fast, simple, and effective electronic service that allows users to access the bank account and conduct online banking transactions 24 hours a day, seven days a week. This service allows users to save time by allowing them to make banking transactions from any location and at any time, whether at home or work.

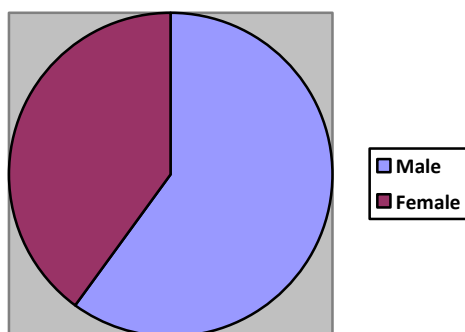
IV .RESULT AND DISCUSSION

the present scenario preference among customers for E-Banking services of bank differ from one person to another. This chapter examines the impact of socio-economic factors of respondents on the usage of E-Banking services. Moreover, in order to analyse the perception of customers regarding the use of internet banking, the variables such as usage of E-Banking services, accessibility, security, convenience, purpose and reason of usage of E-Banking system, source and pattern of usage of E-Banking system, the satisfaction level of customers in using various E-Banking services, etc. were used.

1. SEX

Table -1 Sex of the respondents

Particulars	No. Of respondents	Percentage
Male	300	60
Female	200	40
Total	500	100



The table .1 reveals that 60% of the respondents are male and 40% are female.

2. AGE

Table -2 Age of respondents

Particulars	No. Of respondents	Percentage
18-25	260	52
26-35	180	36
36 above	110	22
Total	500	100

Table 2 shows that 52% of the respondents are under the category of 18-25. More number people lies in this category.36% lies in the age group of 26-35 and rest belongs to 36 above age group.

3. EDUCATIONAL QUALIFICATION

Table -3 Educational qualification

Particulars	No. Of respondents	Percentage
Higher secondary	170	34
Degree	250	50
Others	80	16
Total	500	100

Table 3 shows that most of the respondents are degree qualified(50%). 34% are higher secondary and 16% are in other categories.

4. OCCUPATIONAL STATUS

Table -4 Occupational status

Particulars	No. Of respondents	Percentage
Student	250	50
Business	100	20
Others	150	30
Total	500	100

Table 4 portrays that 50% respondents are students, 20% respondents are doing business and others (30%) include govt employees,professional employees,etc.

5. INCOME LEVEL OF RESPONDENTS

Table -5 Income level of respondents

Particulars	No. Of respondents	Percentage
Below 10000	240	48
10000-30000	200	40
Above 30000	60	12
Total	500	100

Table 5 shows that 48% of respondents earn below 10000.40% earn between 10000 and 30000 and 12% earn above 30000.

6. NATURE OF BANK

Table -6 Nature of bank

Particulars	No. Of respondents	Percentage
Public sector	330	66
Private sector	50	10
Others	120	24
Total	500	100

The table 6 portrays that 66% have account in public sector, 24% have account in other banks and only 10% hold accounts in private sector.

7. TYPES OF ACCOUNT

Table -7 Types of account

Particulars	No. Of respondents	Percentage
Current account	150	30
Savings account	270	54
Others	80	16
Total	500	100

The table 7 shows that 54% of respondents have savings account, 30% have current account and 16% have other type accounts.

8. AWARENESS ABOUT E-BANKING SERVICES

Table -8 Awareness about e-banking services

Particulars	No. Of respondents	Percentage
Through bank staff	150	30
Media	220	44
Friends and relatives	130	26
Total	500	100

Table 8 depicts that awareness of the respondents about e-banking services. 30% know about them through medias.44% through bank staff and 26% through friends.

9. USAGE OF E-BANKING SERVICES

Table 9 Usage of e-banking services

Particulars	No. Of respondents	Percentage
Less than 1 year	90	18
3-5 years	320	64
More than 5 years	90	18
Total	500	100

The Table 9 indicates that 64% of respondents are using the e- banking services for 3-5 years.18% each is using e-banking services for less than 1 year and more than 5 years.

10. FREQUENCY OF USING E-BANKING SERVICE

Table -10 Frequency of using e-banking service

Particulars	No. Of respondents	Percentage
Daily	50	10
Weekly	100	24
Monthly	330	66
Total	500	100

The Table 10 reveals that 10% people use e-banking daily, 24% uses it weekly. Majority of them (66%) uses it monthly.

11. TYPES OF E-BANKING SERVICES

Table -11 Types of e-banking services

Particulars	No. Of respondents	Percentage
ATM	300	60
Mobile banking	50	10
Electronic transfer	150	30
Total	500	100

Table 11 indicates the type of e-banking services used by the respondents. 60% people use ATM services, 10% use mobile banking and 30% uses e-transfer.

12. PURPOSE OF USING E-BANKING SERVICES

Table -12 Purpose of using e-banking services

Particulars	No. Of respondents	Percentage
Online shopping	300	60
E-Ticket	40	8
Others	160	32
Total	500	100

Table 12 shows that 60% of respondents uses e-banking for online-shopping.. Only 8% uses it for purchase of e-ticket.and 12% uses it for other purposes

V .CONCLUSION

Banking has come long way from the time of ledger cards and another manual filing system. Today bank has electronic system to handle daily task of information, retrieval , storage and processing. It provides various facilities to customers and they were satisfied with various facilities provided by the banks as it makes their lives more convenient and more comfortable. The study was based on customer perception on e-banking services .It was found that all respondents were satisfied and have awareness about the use of e-banking services. Among all the e-banking services offered by the bank’s ATM was the most popular channel followed by electronic credit/debit cards and internet banking.

VI. FUTURE ASPECTS

- Banks should ensure that online banking is safe and secure for financial transaction like traditional banking.
 - Banks should organize seminar and conference to educate the customers regarding the use of online banking as well as security and privacy of their some accounts.
 - Some customers are hindered by lack of computer skills. They need to be educated on basic skills required to conduct online banking.
 - Banks must emphasize the convenience that online banking can provide to people such as avoiding long queue in order to motivate them to use it.
 - Banks must emphasize the cost saving that online can provide to the people such as reduce transaction cost by use of online banking.
 - Employees should be trained on technical and quick and prompt services.
 - Banks should create awareness among customers about E-banking services through various means.
 - Banks should be transparent about the charges and interest of e0channels.
 - The banks should invest in technology research to provide the services at a lower cost.
 - The banks can carry out awareness and promotion campaigns to educate about the feasibility and advantages of e-banking services
 - IT has emerged as a strategic tool for profit generation and increasing operational efficiency in banks .
 - A cost effective introduction of technology in banks especially at the branch level can pave the way for a higher profitability through cost reduction, better utility of manpower, streamlined branch functioning , increased productivity and achieving economic of scale. The banks making use of modern technology will pass on benefit of lower cost to the customer.
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