

A STUDY ON CUSTOMER PERCEPTION TOWARDS E-BANKING SERVICES IN KOVILPATTI THALUK

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ABSTRACT

With the introduction of e-banking services in India, banking operations have been improved and operating costs have gone down. It encourages clients to conduct business online, through mobile banking, POS systems, and other means. This study looks at Kovilpatti's consumer perceptions of and preferences for using online banking services, as well as those who don't. This survey shows that the benefits of using electronic banking services are convenience, dependability, safety, time savings, trust, privacy, and speed are the main drivers. Security issues, a lack of trust, and knowledge deficiencies are revealed by parallel findings on the opposing side.

Introduction

The practice of banking as we know it now first appeared in India during the latter two decades of the 18th century. One of the first banks was the Bank of Hindusthan, which was founded in the same year. However, there have been several modifications to banking systems and the services they offer in the 20th century.

An emerging trend in banking services is e-banking. E-banking services are part of the concept of technological advancement in the world. In e-banking, a customer can make information requests and complete banking tasks including checking their account balance, transferring money, paying bills, recharging their phones, requesting a chequebook, etc. using a telecommunications network without going to the bank.

E-Banking Origin in India

The ATM concept was first introduced in 1987 by HSBC—Hong Kong and Shanghai Banking Corporation. There are currently over 2 lakh ATM locations operated by both public and private sector banks in India.

In 2002, mobile banking was introduced, however, the first transactions were SMS-based. Right now, a computer, laptop, or smartphone is used for every transaction. ICICI Bank was the first bank to introduce mobile banking in India in 2008.

Objectives of the Study

1. To determine the customer's demographic profile
- 2 To learn the justifications for utilizing e-banking services.
- 3 To identify the biggest deterrents to using e-banking services.

Statement of the Problem

Banks in the present period have begun to offer a variety of E-banking services such as mobile banking, Internet banking, ATM services, and so on, due to the rapid growth of technology and the entry of private and foreign banks. Among the key client initiatives, e-banking has aroused the most interest. Despite these potential, several factors influence the growth of e-banking, including trust, suitability, reliability, confidentiality, and so on. The implementation of a banking institution's E-banking services offers up a new area of prospects and issues. This research looked into the E-banking services offered by the banks in Kovilpatti.

Methodology

This empirical study investigates how customers in the town of Kovilpatti perceive e-banking services. Both primary and secondary data are used. To collect primary data directly from respondents, a custom designed questionnaire was used. After completing the questionnaire, the data was processed using the appropriate tools for analysis and interpretation. Secondary data is gathered from a range of books, journals, periodicals, and websites. The researcher chose 150 respondents from among the many bank clients in the town of Kovilpatti for this investigation. The most effective sampling approach was chosen. Using processes such as mean score analysis and Chi-square analysis, the results were swift and easy to understand.

Hypothesis

1. Ho: There is no significant relationship between the overall satisfaction level of E-Banking Services and age.
2. Ho: is no significant relationship between the overall satisfaction level with E-Banking services and the Educational level

Data Analysis and Interpretation**Table 1: Influencing Factors for using E-Banking services**

S. No	Factors	SA	A	N	DA	SDA	Total Mean	Mean Score
1.	Convenient	32	38	21	8	1	392	3.92
2.	Reliable	40	32	18	10	-	402	4.02
3.	24*7	28	30	22	8	12	354	3.54
4.	Time Saving	24	21	29	16	10	330	3.30
5.	Password Protection	36	34	16	10	4	388	3.88
6.	Confidentially	31	26	25	12	6	364	3.64
7.	Easy to Operate	22	38	22	8	10	354	3.54
8.	E-Receipt	27	26	22	15	10	345	3.45
9.	Fast Fund Transfer	41	22	24	13	-	391	3.91
10.	Belief	31	22	28	17	2	363	3.63

Source: Primary Data

The determining factors for using e-banking services are shown in table 1 above. Out of 100 respondents, the reliable factor obtains the highest mean score (4.02). The majority of respondents are swayed by how trustworthy e-banking services are. The practical component comes in second to the dependable component, with a mean score of (3.92). In other words, more respondents were influenced by the use of trustworthy e-banking services. The benefit of adopting e-banking services with the least impact is time savings (3.30)

Table 2: Influencing factors for non-preference of e-banking services

S. No	Factors	SA	A	N	DA	SDA	Total Mean	Mean Score
1.	Preferring face-to-face	16	18	12	4	-	196	3.92

	banking							
2.	High risk	18	14	6	8	4	184	3.68
3.	Security	16	12	18	2	2	188	3.76
4.	Secrecy	14	10	16	5	5	173	3.46
5.	No instant help	16	12	10	6	6	176	3.52
6.	Hard to operate	21	10	9	7	3	189	3.78
7.	Altering in technology	20	16	10	4	-	202	4.04
8.	Internet facility	19	11	10	6	4	185	3.70
9.	Hacking problem	24	10	8	4	4	196	3.92
10.	The frequent interruption of the website	16	12	8	8	6	174	3.48

Source: Primary Data

Table 2 shows the factors that contribute to the lack of preference for e-banking services. The element of changing technology obtained the highest mean score (4.04) out of 50 respondents. The majority of respondents do not use these services due to the continual changes in e-banking technology. With a mean score of (3.92) and more respondents indicating concerns about hacking and a preference for manual banking services only, the reasons favouring face-to-face banking and hacking rank second and third, respectively. The least influential element influencing trust in using e-banking services is (2.91).

Chi-Square Test

1. There is no significant relationship between the overall satisfaction level of e-banking services and age

Table 3: Relationship between the overall satisfaction level with e-banking services and age

Overall satisfaction	Age		Total
	Below 30	Above 30	
Satisfied	40	20	60
Not satisfied	10	30	40
Total	50	50	100

Source: Primary Data

$$X^2 = \sum (O-E)^2 / E$$

Calculate Value: 16.66

Table Value: 3.841

Degrees of freedom: 1

Level of significance: 5%

This table 3's estimated chi-square value (16.66) at the 5% level of significance for degrees of freedom (2) is greater than the table value (3.841). The null hypothesis (Ho) is rejected since there is a significant link between age and overall satisfaction with e-banking services.

2. H₀: There is no significant relationship between the overall satisfaction level with e-banking services and the education level

Table 4: Relationship between the overall satisfaction level with e-banking services and education level

Overall satisfaction	Education Level		Total
	Upto graduate	Professionals	
Satisfied	26	34	60
Not satisfied	18	22	40
Total	44	56	100

Source: Primary Data

$$X^2 = \sum (O-E)^2 / E$$

Calculate Value: 2.68

Table Value: 3.841

Degrees of freedom: 1

Level of significance: 5%

Table 4's estimated chi-square value (2.68) at the 5% level of significance for degrees of freedom (2) is less than the table value (3.841). Ho is approved as a result. Since there is no correlation between education level and overall satisfaction with e-banking services, there is no relationship between the two.

Suggestions

- Few customers are aware of the availability of e-banking services. To consistently promote E-Banking services to customers, bankers perform the appropriate actions.
- Since the size of banks is taken into account when adopting F-Banking, banks must speed up their operations with the introduction of the central banking system.
- Banks need to inform customers about e-banking options.
- The banker must prioritize consumer inquiries and provide a prompt response.

Conclusion

Customers are the monarch of the market since in marketing there would be no market without them. Only they can determine whether a product or service will succeed or fail. Consequently, we must raise clients' awareness of e-banking. Customers today are dissatisfied with e-banking services due to the implementation of new technology that varies between institutions. Customers' ages and educational levels influence how often they use e-banking services, and they are quite happy with the privacy, security, and other features.

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