

A STUDY ON CUSTOMERS' COLLISION ADVERTENCE TO ELECTRONIC BANKING IN CANARA BANK AT THOOTHUKUDI CITY

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ABSTRACT:

Banking has changed over the years and evolved with the needs of the Indian economy since independence. A large number of banks in developed and emerging markets have been upgrading their system to modern banking system. Here banks, with the help of software vendors, have found the opportunity to leverage multiple channels in order to deliver products and facilitate transactions through online.

E-Banking facilitates an effective payment and accounting system thereby enhancing the speed and delivery of banking services considerably. While e-banking has improved banks efficiency and convenience, it has also posed several new challenges. These challenges are particularly more apparent in areas of regulation and supervision of banks. This study pertains to analysis electronic banking as general and electronic banking in Canara bank particularly. Electronic banking as it has demonstrated the velocity of its growth is incredibly fast and efficient. It has allowed individuals including companies to perform their banking businesses from their homes or offices in a very cost-effective way. This study has been shown that with this new technology, it has become possible for both the banks and customers to have an immediate insight about the status and operation of their accounts.

KEY WORDS: Electronic Banking, Cost-Effective, Convenience.

Introduction:

Banking through traditional ways had been slow and time-consuming. These often used to impact the productive time of the customers to get their transaction done after standing in long queues. With the evolution of modern technologies, the banking industry around the world

saw a great opportunity to transform the traditional ways of banking and introduced e-banking services to its account holder.

E-banking services or electronic banking services are referred to banking transactions which are transacted using electronic modes or equipment. However, the most important and core component of electronic banking is the Internet. The various touch-points between banks and customers are identified and a virtual system or a process is mapped using available technologies to conduct a transaction with the use of the internet. Any touch-point between a bank and a customer even for non-financial transactions is termed as a transaction.

The biggest transformation advantage to the customers is the usage of electronic banking facility that is accessible to them offered by the bank at 24*365 delivery window in a year, without making a personal visit to the bank branch. However, the technological systems do require schedule maintenance of technology assets and some other unexpected reasons may also impact the services through the electronic ways. But all-in-all, the technological uptime for the delivery of such services is very high. The account holders can conduct financial and non-financial transactions even after standard business hours and on weekends applicable by various banks in India.

Non-Financial E-Banking Services:

Some of the e-banking services offered by various private and national banks in India for non-financial transactions are:

- View personal account balance or balance sheets for both savings and current accounts.
- View the history of transactions done by the customer with a huge historical archive limits.
- Submitting cheque book requests.
- Downloading Bank Statements, as and when required.
- View loan status or EMI Summary, if any
- Mutual Funds, Demat accounts, and insurance policy details can also be monitored online.

The backend decision-making of any bank like approvals, rejections, etc. for various requests can also be queued in these banking processes that are mapped virtually and help the account holders by skipping a personal visit to the bank branch for such services. This is a win/win for the customers and banks, as it saves time, efforts, energy, and other resources for both parties.

Financial E-Banking Services

Let's quickly look at the various financial transactions offered by banks through e-banking:

- Transfer money to the other private and national bank account holders in just a few clicks.
- Purchase goods and services and use Business to Customer payment modes like credit cards, debit cards, net banking, various payment gateways, and wallets, etc. providing a range of payment options.
- Making business to business transactions using NEFT, RTGS, and IMPS options, etc. depending on the size of the business transaction amount.
- Pay mobile bills, utility bills, make credit card payments and buy other products/services,

One must know that since Information Technology itself is transforming every day, newer technological solutions are making the banks to be on their feet and adapt quickly to remain competitive in the market. In this process, the opportunities to add more financial and non-financial solutions to the electronic banking services offered by the banks are also increasing.

Benefits of E-Banking:

Advantages of e-banking are numerous. It provides ease and convenience to the customers in operating an account. The customers can conduct transactions of different types using platforms like bank website, online applications, e-commerce portals, etc.

For Banks:

It saves time, manpower, and resources of the banks. The banking has become cheaper using this technology. Efficiency of banks has the reach of banks is wider than earlier.

For Customers:

Customers can manage almost every type of transactions using e-banking. Bill payments, sale-purchase, operating Demat Accounts, money transfer, and a number of convenient services provided by the banks are now can be operated through one channel i.e. Electronic Banking.

STATEMENT OF THE PROBLEM

Customers Satisfaction is critical issue for the success of any business system, either traditional or online. In powerful competitive environment, in order to sustain the growth and good market share, service provider need to understand how to satisfy customers, as customer satisfaction is critical for establishing long term relationships. Banking channels are offering their customers a variety of services, 24 hours a day. Compared to traditional banking, this system of e-banking heavily involves non-human interactions between customers and service

provider. Due to rapid and continuous technological change and stiff market competition, customer satisfaction becomes an increasingly important issue. Banks with the help of software vendors, have found the opportunity to leverage multiple channels in order to deliver products and facilitate transaction through online. Customers are facing some problems in this transformation of technologies providing by banking sector. The proposed study, attempts to research how Canara bank's centric towards their customers in e-banking system and to throw a light on customer's expectations from Canara bank through e-banking system.

OBJECTIVES:

- To study the features given by Canara bank with the help of e-banking.
- To analysis the application services and knowledge of using mobile banking.
- To examine the problems of net banking.
- To analysis the various e-banking channels.

METHODOLOGY:

Sources of data collected for analysis were primary and secondary. Primary source of data collected through questionnaire. The tool for data collection was structured with the help of reference from various articles published in journals. After several process of evaluation the questionnaire design served as an effective tool and was able to collect all the possible data in accordance with the objectives. Secondary source of data was collected from various journals, magazines, newspapers and also over the internet.

SAMPLING TECHNIQUE:

In this research Simple Random Sampling technique has been used. It is a probability sampling technique. It involves choosing a sample according to the requirement of the research done and choosing the customers on random.

SAMPLE SIZE:

A sample size is the part of the population chosen for the survey. The sample size of this study is 60 Canara bank's customers from Thoothukudi.

HYPOTHESIS:

The following hypotheses are framed for the purpose of analysis:

H₀₁-Educational qualification of Canara bank customers has no relationship with the knowledge of using mobile banking.

H₀₂-There is no relationship between occupation and factors of e-banking channel.

DATA ANALYSIS:

FEATURES GIVEN BY CANARA BANK WITH THE HELP OF E-BANKING

Factors	Mean	Rank
Cost effective	2.45	1
Time effective	3.28	2
Easy monitoring	3.63	3
Transparency	3.78	4
Convenient	4.32	5
Accurate	5.35	6
Simplified	6.97	7
Accessibility	7.32	8
Secured	7.90	9

From the above table, it clearly indicates the ranking features given by Canara bank with the help of e-banking. It is observed that, Cost effective, is ranked first; with a mean score of 2.49 followed by 'Time effective' which ranked second (3.28), 'Easy monitoring' secured third position (3.63), 'Transparency' ranked fourth (3.78), 'Convenient' ranked fifth (4.32), 'Accurate' took sixth position (5.35), 'Simplified' as seventh (6.97), 'Accessibility' as eighth, while 'Secured' was ranked at the end with a mean score of 7.90.

Thus, it is inferred that most of the customers insist on cost effective among various features given by Canara bank with help of E-banking services.

APPLICATION USING IN MOBILE BANKING

Applications	No. of respondents	Percent
Canara Infobook app	6	10
Canara Serve app	3	5
Canara bank mobile banking app	6	10
Google pay	18	30
BHIM Canara	3	5
PhonePe	18	30
Paytm	6	10
Total	60	100

Major application is shown in the above table that depicts, out of 60 respondents using Google pay and 30% of the respondents are using phonePe

usage of shown in the depicts, out of 30% of the using Google phonePe

applications, 10% of the respondents using CanaraInfobook, Canara bank mobile banking application, and Paytm, 5% of respondents are using CanaramServe and BHIM Canara application.

INDEPENDENT SAMPLES T-TEST FOR EDUCATION QUALIFICATION AND THE KNOWLEDGE OF USING MOBILE BANKING

Testing of hypothesis:

Null hypothesis: Educational qualification of Canara bank customers has no relationship with the knowledge of using mobile banking.

Educational qualification	Pay your bills by accessing bill pay option	N	Mean	Std. Deviation	Std. Error Mean	df value	t value	p value
	Strongly Agree	9	3.00	.000	.000	46	.993	*.326
Agree	39	2.69	.922	.148				

*Significant at 5% level

The table shows that independent sample t test between the variables, educational qualification and the customer's knowledge of using mobile banking. Here t value is 0.993 with 46 degrees of freedom and the p value is 0.326 which is higher than the significant p value 0.05, therefore there is no significant relationship between the variables. Hence the null hypothesis is accepted which proves that the knowledge of using mobile banking does not depends on educational qualification.

OPINION TOWARDS THE SERVICES PROVIDED IN MOBILE BANKING

STATEMENT	SA	A	N	D	SD	TOTAL	RANK
Fund transfer within Canara bank	180	96	0	0	0	276	I
Fund transfer to other bank customers	165	60	36	0	0	261	II
Manage beneficiaries while initiating fund transfer transaction	120	132	9	0	0	261	II
Manage accounts easily	90	144	9	0	3	246	IV
View accounts statement, loan and term deposit details	195	72	9	0	0	276	I
Request for cheque book	135	84	27	0	3	249	III

Get latest updates on banking products insidethe app	60	132	36	0	3	231	VII
Find nearest canara bank branches & ATM's using geolocate	105	96	18	18	0	237	V
Open additional Canara bank account by easily accessing	75	122	9	18	0	224	VIII
Pay your bills by accessing Billpay option	45	156	27	6	0	234	VI

The above table analyses the opinion towards the services provided by mobile banking. In which fund transfer within canara bank and View accounts statement, loan and term deposit details are ranked first with the score of 276, followed by other factors namely Fund transfer to other bank customers and Manage beneficiaries while initiating fund transfer transaction (261), Request for cheque book (249), Manage accounts easily (246), Find nearest canara bank branches & ATM's using geolocate (237), Pay your bills by accessing Billpay option (234), Get latest updates on banking products insidethe app (231), Open additional Canara bank account by easily accessing (224).

PROBLEMS OF NET BANKING

Factors	Mean	Rank
Login frauds	2.50	1
Price scraping	2.70	2
Hacking	2.70	2
Password breaches	3.60	3
Lack of face to face advice	4.30	4
Excessive reliance on technology	5.20	5

Above table clearly indicates the problems faced by customers while using net banking. It is found that Login frauds ranked first with the mean score of 2.50, followed by price scraping and the hacking problems ranked as second (2.70), the password breaches problem ranked as third (3.60), Lack of face to face advice ranked fourth (4.30), while the Excessive reliance on technology was placed at the trail end with a mean score of 5.20. Thus, it is inferred that the threats faced by the most of the customers while using net banking is Login frauds.

INDEPENDENT SAMPLES T-TEST FOR OCCUPATION AND PREFERENCE OF ELECTRONIC CLEARING SERVICES

Occupation	Preference towards Electronic Clearing Services						
		Mean	Std. Deviation	Std. Error Mean	df value	t value	p value
	Equal variances assumed	.089	.849	.464	40	.192	.849
	Equal variances not assumed	.089	.817	.383			

*Significant at 5% level

The table shows that independent sample t test between the variables, occupation and the channel of e-banking. Here t value is 0.192 with 40 degrees of freedom and the p value is 0.849 which is higher than the significant value 0.05, therefore there is no significant relationship between the variables. Hence the null hypothesis is accepted which proves that, though electronic clearing services is time saving, occupied people does not prefer it as there is a constrain regarding security issue.

USAGE OF ATM CARDS

Usage	No. of respondents	Percent
Once a week	27	45
On alternate day	9	15
Three Time a week	12	20
Every fortnight	3	5
Four times a week	6	10
Everyday	3	5
Total	60	100

It is clear from the table that 45% of the respondents using ATM cards once a week, 20% of the respondents using three times a week, 15% of the them are using in alternate days, 10% of the respondents are using four times a week, 5% of them using every fortnight and remaining another 5% of them are using everyday.

SUGGESTIONS:

- ✓ With the rapid development of the internet, many people browse online banking through portal. Hence the Canara Bank should educate the customers about online banking and induce them to use.
- ✓ ATMs are the fastest mode of payment. So the banks should maximize the number of onsite and offsite ATMs.
- ✓ Measures should maintain limited charges for provide all type of services.
- ✓ To popularize the concept of e-banking, management if the banks are suggested to conduct awareness program with respect to e-banking
- ✓ Some measures should be taken to create awareness about the possible frauds in e-banking solution
- ✓ Suitable security measures should be taken by the customers to protect their devices and customer systems.

CONCLUSION:

The banking industry in India and around the world would see some latest developments through technology becoming a reality soon. Some of the upcoming future trends in banking industry could be Block-chain technology, biometric ATMs, and smart wearable gadgets like watches, glasses that can be linked with the banking transaction processes for better productivity and customer security.

Thus Canara bank updated themselves by offering various e-banking services to their customers, to retain their customers and to withstand in the technical competitive market. To conclude, this study reveals the overview of satisfaction level of customers towards e-banking system provided by Canara bank has been resulted positively. Though the customers are satisfied with the services and benefited through e-banking services, the bank must take necessary steps in order to improve the level of satisfaction of their customers by providing them awareness through advertisements or some other media, maximizing the onsite and offsite ATM's, online and offline services and by maintaining limited charges for all types of services.