

A Study on Customer Perception towards Internet Banking

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Abstract—Internet banking plays a vital role in today's world. People are looking beyond the traditional way of going to the bank for doing their banking transactions. Internet banking has transformed the traditional way of banking; it has brought new dimensions to the banking industries. This study aims at finding the perception of customers towards internet banking

Keywords—*Internet Banking; Tradition; Perception.*

1. Introduction

Internet banking simply means doing the banking transactions with the help of an electronic device through internet. A customer can do the ordinary banking transaction with the help of an electronic device like mobile phone, computer, tab, instead of physically going to the branch for doing it. In order to get an internet bank account one should need a bank account with a particular bank, then the customer should request for the internet banking. On the request of the customer the bank will provide a login id and password, with the help of this login id and password one can login to their account and do the transactions.

Internet banking has brought new dimensions to the banking industries. It has brought a major shift in the perception of customers towards banking. Now the account holders are able to do their banking transactions like fund transfer, balance enquiry, online payments at anytime from anywhere. The major benefit of internet banking is convenience and speed. Internet banking provides quick and steady access of information about their account to customers. Banks are able to get new customers without physically opening a branch with the help of internet banking. The major drawback faced by internet banking is the security issues and lack of knowledge of using the account.

2. Objectives and Methodology

2.1 Objective of the Study:

- To study the customers expectation about internet banking.
- To study the advantages of internet banking.
- Problems faced by the customers.
- To suggest measures to improve internet banking.

2.2 Methodology of the Study

2.2.1 Data Collection Method

A structured questionnaire was used to collect the primary data to answer the research questions and objectives regarding customers on internet banking. The survey questions consist of questions to reflect different parts of the study.

2.2.2 Primary Data

Primary data is collected through face to face interaction with internet bank account holders, by meeting them in personal.

2.2.3 Secondary data:

The secondary data used for the study are inclusive of the data collected from the internet, catalogues, journals and magazines.

2.2.4 Methodology

The study was conducted on the basis of the survey through questionnaires given to the respondents. Sampling design population: Tambaram, Sample size: Population of 100, Sample technique: Convenience sampling and Statistical tools: Frequencies, ANOVA, T-Test and Chi-Square

3. Limitations of the study

3.1 The study has the following limitations:

The study was conducted exclusive on Tambaram area. The duration of the research period is 6 months, so only limited information can be acquired from the respondents or the samples in the short time span. It is difficult to know if all the respondents give accurate information; some respondents tend to give misleading information and some ignore to respond to certain questions. Time constraint as the respondents are busy with their own works and hardly get time to fill up the information.

4. Data Analysis and Interpretation

T-test is used for significant difference between Gender and overall satisfaction with Internet Banking.

4.1 Hypothesis

Null Hypothesis H_0 : There is no significant difference between gender and overall satisfaction with internet banking. Alternate Hypothesis H_1 : There is significant difference between gender and overall satisfaction with internet banking

Table 1: T-test for significant difference between Gender and overall satisfaction with internet banking

	Gender	Mean	Std. Deviation	T value	P value
Overall Satisfaction	Male	2.1364	.63212	0.05	0.030
	Female	1.9286	.80582		

4.2 Interpretation

Since the P value is less than 0.05, the Null Hypothesis is rejected at 5% significant level. Hence it is concluded that there is significant difference between gender and overall satisfaction with internet banking. Therefore it can be discovered that the satisfaction level differs with gender. Chi-square test is for the association between Occupation and satisfaction level towards services offered by internet bank.

4.2.1 Hypothesis

Null Hypothesis- H_0 : There is no significant association between Occupation and satisfaction level towards services offered by internet bank.

Alternate Hypothesis- H_1 : There is significant association between Occupation and satisfaction level towards services offered by internet bank. Table Showing Chi-square test for association between Occupation and satisfaction level towards services offered by internet bank

Table 2: Chi-square test for association between Occupation and satisfaction level towards services offered by internet bank

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.926 ^a	4	.002
Likelihood Ratio	17.302	4	.002
Linear-by-Linear Association	1.652	1	.199
N of Valid Cases	238	-	-

4.2.2 Interpretation

From the above table, it is found that the significance level at 5% is 0.002, so we reject the null hypothesis. Thus it is concluded that at 5% confidence level, there is significant association between Occupation and satisfaction level towards services offered by internet bank. Therefore it can be inferred that the Occupation influences their satisfaction level towards services offered by internet bank

5. Findings

- It was revealed that majority of the respondents were female. Majority of the respondents were in the age group of 25-30. It is inferred that majority of the respondents occupation fell in the category of students.
- It was found that the majority of respondents had completed till postgraduate level of education. The study reveals that the majority of the respondents were in the monthly income category of Rs 25001 to Rs 50000.
- It is discovered that the majority of the respondents have internet bank account in SBI, followed by Axis bank, ICICI bank, HDFC bank, Indian overseas bank.
- The major reason for opening a bank account was convenience.
- It is inferred from the study that the majority of the respondents feel safe in disclosing their details on internet.
- It can be observed that the awareness about the benefits of net banking was very high among the respondents.
- It was found out that the main reason for selecting a bank as there internet bank is having a traditional bank account with the bank
- Through the study it is inferred that the main transaction done through net banking is money transfer.
- It was found that the major advantage which the respondents see in internet banking is speed and convenience
- It was found that the major problem faced among the respondents was security issues.
- It is found that most of the respondents are partially satisfied towards the services offered by internet banking.
- The study establishes that the majority of the respondents felt satisfactory towards internet banking.

6. Conclusion

My exhaustive research in the field of banking threw up some interesting trends which can be seen in the above analysis. The general idea which I got during the data collection was that people are aware about the various internet banking facilities offered by the banks. People are beginning to look beyond SBI for their banking needs and

are willing to trust private players as well as other public sectors banks with their hard earned money. Banks should encourage their customers to use internet banking facilities by providing them user friendly sites and without extra charges for accessing it.

7. Suggestion

- After analyzing the perception of the respondents there are few suggestions,
- The sites should be designed in such a way that the customers should be able access different features without extra charge.
- Make their sites more user friendly.
- Give proper training to customers for using e-banking.
- Create a trust in the mind of customers towards security of their account.
- Bank should advertise their e-banking services through various kind of medium.
- Customers should be motivated to use e-banking facilities more.

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