



A STUDY ON CUSTOMER PREFERENCE TOWARDS E-BANKING SERVICES OF STATE BANK OF INDIA IN RAMANATHAPURAM DISTRICT

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ABSTRACT

The paper deals the customer preference towards e-banking services of State Bank of India in Ramanathapuram District of Tamilnadu. Data for this investigation were collected from primary as well as secondary sources. The sampling is random. The data collected from the primary source were analysed with the help of simple percentage analysis. Secondary data have been collected from books, journals, newspaper, internet and periodicals. The respondents income levels are minimum 2,00,000. The major respondent mentioned that they would like to operate their banking transactions. Some of the respondents expect the bank will provide security. Some amount of respondent has stated reasonable charges have to be imposed on their banking transaction. The main difficulty for using the e-banking facility is less knowledge about the operations of banking facility. Respondents also feel the service of e-banking too complex to use and also believe the e-banking to be risky. The research report is based on primary data. According to the study, the researcher concludes that the most of the bank customers are satisfied about all the banking services in Ramanathapuram District of Tamilnadu. The banks further have to take necessary steps to educate the customers regarding the new technology and other services offered by the banks.

KEYWORDS : E-banking, ATM, On-line banking, M-banking

INTRODUCTION

The internet has changed the operation of many businesses and has been becoming a powerful channel for business marketing and communication. The banking industry has followed this trend in recent years and sometimes called "e-banking" referring to all banking transactions now completing through internet applications.

The advancement of communication and computer technology and the availability of the internet have made it possible that one can do most banking transactions from remote location even without stepping into a physical financial structure. Today less than 30% of the consumer financial transactions run through a branch office or the lobby of a main bank office. E-banking has been viewed as an advanced upgrading from previous electronic delivery system to open many new business opportunities for the banking industry. In addition to previous electronic banking delivery systems, automated teller machine and telephone transaction processing centres, online banking provides banks a new and more efficient electronic delivery. There have been several major challenges and issues faced to the e-banking growth and the e-business in general. Additionally consumer who are "non-computer genius" like most senior citizens have been reluctant in their choice of doing online business and worried their unfamiliarity about the computer placing them in a disadvantages position. The paper deals the customer preference towards e-banking services of State Bank of India in Ramanathapuram District of Tamilnadu.

STATEMENT OF THE PROBLEM

The convenience of e-banking is helping people gain greater control over their finances and contributing to changing patterns in cash withdrawal and day to day money management. One of the very important service quality dimensions of e-banking service quality is reliability. Saving time is an importance factor which influences the customers' preference to use e-banking. The most popular online transactions through e-banking are fund transfer or bill payment. Online banking users felt that convenience is the most important factor, e-banking lets them access their accounts from anywhere and at any time. So, the attitude towards the customer preference on e-banking services of State Bank of India in Ramanathapuram district of Tamilnadu are recorded, analysed and presented in this paper.

OBJECTIVES

The following are the major objectives of the study

1. To identify the reasons for preferring e-banking.
2. To study the customers service quality in e-banking system.
3. To find out the opinion of the respondents regarding the various problems of e-banking services and provide suitable suggestion to them.

SCOPE OF THE STUDY

The study deals about preference of e-banking customers in Ramanathapuram District of Tamilnadu. This study will cover the views expressed by various information representing various situations.

METHODOLOGY

The study is intended to customer preference about e-banking services of state Bank of India in Ramanathapuram District of Tamilnadu. Data for this investigation were collected from Primary as well as Secondary sources. The sample chosen consisted of 90 sample respondents representing the customers of e-banks. The sampling is random. The data collected from the primary source were analysed with the help of simple percentage analysis, mean score method. Secondary data have been collected from Books, Journals, Newspapers, Internet and Periodicals.

EDUCATIONAL QUALIFICATION

The e-banking customers' knowledge and education level is very important one. The table 1 show educational qualification calculation of the respondent.

TABLE -1

SL.No	Education Qualification	No.of Respondent	Percentage
1	No Formal education	12	13.33
2	School level	20	22.22
3	College level	24	26.67
4	Professional	18	20.00
5	Diploma	16	17.78
Total		90	100

Source: Primary data

From the above table, Out of 90 respondents, 26.67% of the respondents' qualification is college level, 22.22% has obtained school level education. and only 13.33% only have no formal education.

OCCUPATION

The occupation leads to change in life style to the respondents. The table 2 show occupation level of the respondent.

TABLE – 2

SL.No	Occupation	No.of Respondent	Percentage
1	Employee	49	54.44
2	Business	12	13.33
3	Agriculture	8	8.89
4	Professional	11	12.22
5	Student	17	18.89
Total		90	100

Source: Primary data

From the above table, it is clear that 54.44% of respondents are employees, 18.89% are belonging to students, and 8.89% are farmers.

INCOME

There is a direct relationship between the income level and savings habit spending activities of respondent. So it is analysed in the table 3

TABLE – 3

SL.No	Annual Income	No.of Respondent	Percentage
1	Up to 2,00,000	33	36.67
2	2,00,001 to 5,00,000	47	52.22
3	Above 5,00,000	10	11.11
Total		90	100

Source: Primary data

From the above table it is inferred that vast majority 52.22% of the respondents are in the income level of 2,00,001 to 5,00,000, and on the other side 11.11% of the total respondent are high income earning people.

CUSTOMER PREFERENCE

The following table highlights the customer's preference towards E-banking services.

TABLE – 4

SL.No	Customer preference	No.of Respondent	Percentage
1	Mobile Banking	12	13.33
2	ATM	21	23.33
3	Electronic fund transfer	9	10.00
4	Tele Banking	18	20.00
5	Internet Banking	30	33.33
Total		90	100

Source: Primary data

From above table, It reveals that 33.33% respondents preferred Internet banking, 23.33% used ATM, and Electronic fund transfer used only 10.00%.

SERVICE QUALITY FACTORS

The attitude towards the above said customers' perception of service quality factors is measured in the following table.

TABLE – 5

SL.No	Service Quality Factors	Respondent	Rank
1	Time Factor	91.11	1
2	Reliability	57.77	4
3	Online bill payments	64.44	3
4	Anytime and anywhere banking facility	77.77	2

Source: Primary data

The above table reveals that the opinion of customers on service quality factors. Majority (91.11) respondents satisfy the time factor, (77.77) customers satisfied anytime and anywhere banking facilities, and some customers satisfy with online bill payments.

FINDINGS

The following are the major findings of the study

- The majority of 68% - online banking users are male and rest of them are female in the study area.
- It is very clear from the survey that Out of 90 respondents 27% of the respondents qualification is college level,
- It is clearly found that 55% of the occupational status of respondents is belong to employee,
- Around 53% of the respondents earns in between 2,00,001 to 5,00,000.
- The data reveals that 33% respondents used Internet banking and 23% used ATM
- A Majority of 36% respondents satisfy the time factor, and 33% customers satisfied anytime and anywhere banking facilities,

SUGGESTIONS

According to the study, the researcher found that the most of the State Bank of India customers are satisfied with the online banking services in Ramanathapuram District of Tamilnadu. But the following suggestions are made for further improvements.

- The banks further have to take necessary steps to educate the customer regarding the new technology and other services offered by the banks.
- The Banks may extend customer meeting time with bank officials and also friendly approach is necessary.
- Bank can include a demo video on their website describing the procedures of various internet banking services, so that more customers will use facilities like stop payment, cheque book orders etc.

CONCLUSION

The study has analysed the preference of customers regarding the e-banking services. Age and qualification are the important demographic factors which used to measure the preference of customers on e-banking services. The study conclude that different age group of customers have different preference towards the e-banking services and the usage of customers are different. So bank should concentrate on all the age group of customers. It is also seen that different group of customers based on educational qualification have different needs in e-banking. There are good number of customers in every group. Bank should educate all type of customers about the usage of e-banking services for better environment.

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