



PROBLEMS FACED BY THE ACCOUNT HOLDERS IN USING VARIOUS E-BANKING SERVICES OF PUBLIC AND PRIVATE SECTOR BANKS IN ERODE DISTRICT

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ABSTRACT

The internet banking plays a significant role in the walks of people in the modern world of technology. It provides instance banking services round the clock plays pivotal role in bringing economic and financial development by providing cash less services to the customers. In this research, the researcher has been taken 1000 E -banking customers maintaining their accounts in Public and Private sector banks. Descriptive research study has been used for this research. Stratified random sampling method is used for collecting the data from the respondents. The collected data has subduced into tables by using percentage analysis and Henry carrot ranking analysis. F mm the study it could be found that majority of the respondents are satisfied towards the E-banking services offered by the public sector banks in Erode.

KEYWORDS : E-Banking, Public Sector Banks, Private Sector Banks

Introduction

Electronic banking is one of the truly widespread avatars of e-commerce all over the world. Various authors define e-banking differently and the definitions giving the meaning and features of e-banking are as follows:

1. E-banking is a combination of electronic technology and banking.
2. E-banking is a process by which a customer performs banking transactions electronically without visiting a brick-and-mortar institution.
3. E-banking denotes the provision of banking and related services through extensive use of information technology without direct recourse to the bank by the customer.

Statement of the Problem

The Public as well as the private sectors have a stake 'in owning, managing and controlling the banking services. Scientific inventions and innovations have paved the ways for the use of technology in almost all the sectors and the developed countries have activated the process of promoting technology-driven, user-friendly services. A number of information technology services are important in the management of banking services. In the past, the banking sector did not get any attention in the Indian economy because of the low level of economic activities and the meager business prospects. Of late, banking has become an integral part of all business and social development activities.

Objectives of the Study

1. To analyze the customer attitude towards e-banking services offered by the public and private sector banks in Erode district.
2. To examine the various problems faced by the respondents while in utilizing the banking services.
3. Suggestions and recommendations for providing better services.

Hypotheses of the Study

1. There is no significant association between the selected independent variables and the level of perception towards e-banking service.
2. There is no significant relationship between the selected independent variables and the level of satisfaction towards e-banking services.

Research Methodology

The validity of any research depends upon the systematic method of collecting data and analyzing the same in a logical and sequential order. In the present study, an extensive use of both primary and secondary data has been made, making use of descriptive and analytical research.

Sampling Design

Both the primary and the secondary data were used in the study for

the purpose of analysis. For collecting primary data, a field survey technique was employed in Erode District. A well framed questionnaire was used to collect the primary data.

Table-1 Profile of the respondents

S.No	Factors	Respondents			
		Public Sector		Private Sector	
		NOR	Percent	NOR	Percent
Gender					
1	Male	325	65.0	265	53.0
2	Female	175	35.0	235	47.0
Age					
1	Up to 30 years	169	33.8	119	23.8
2	31 -40 years	133	26.6	254	50.8
3	41 – 50 years	141	28.2	86	17.2
4	Above 50 years	57	11.4	41	8.2
Educational Qualification					
1	School level	98	19.6	65	13.0
2	College level	101	20.2	147	29.4
3	Professional education	163	32.6	201	40.2
4	ITI / Diploma	138	27.6	87	17.4
Present Status					
1	Business	94	18.8	214	42.8
2	Employed	122	24.4	93	18.6
3	Professional	170	34.0	103	20.6
4	Agriculturist	40	8.0	23	4.6
5	Students and housewives	74	14.8	67	13.4
Monthly Income level					
1	Up to Rs. 10000	130	26.0	95	19.0
2	Rs. 10001 – 20000	214	42.8	88	17.6
3	Rs. 20001 – 30000	87	17.4	149	29.8
4	Above Rs. 30000	69	13.8	168	33.6

The distribution of the sample respondents according to their age, Educational qualification, monthly income, Experience Present Status, Designation is discussed in the following table. Etc...

It could be inferred from the above table that 65.0 percent of the respondents belong to male category in public sector banks whereas 53.0 percent in private sector banks. 33.8 percent of the respondents belong to the age group of up to 30 years in public sector banks whereas 23.8 percent in private sector banks. 19.6 percent of the respondents qualified till school level in public sector banks whereas 13.0 percent in private sector banks. 18.8 percent of the respondents were businessmen in public sector banks whereas 42.8 percent in private sector banks. 26.0 percent of the respondents were earning up to Rs.10000 as their monthly income

in public sector banks whereas 19.0 percent in private sector banks. 83.4 percent of the respondents living in urban are using e-banking services in private sector banks whereas 42.6 percent of the respondents living in rural area are using e banking services in public sector banks.

55.8 percent of the respondents were having up to 3 members in their family in public sector banks whereas 30.6 percent in private sector banks. 69.8 percent of the respondents were holding accounts with multiple banks in public sector whereas 56.8 percent in private sector bank. 50.4 percent of the respondents were maintained only one bank in public sector whereas 35.4 percent in private sector banks.

28.6 percent of the respondents were maintained only one account in public sector bank whereas 53.8 percent in private sector banks. 48.8 percent of the respondents were maintained savings bank account in public sector bank whereas 44.4 percent in private sector banks.

18.8 percent of the respondents were maintaining the account for 1-2 years in public sector bank whereas 12.8 percent in private sector banks. 19.2 percent of the respondents were visiting the bank for ordering cheque leaf in public sector bank whereas 17.8 percent in private sector banks.

Table-2 Problems of E-Banking Services

S. No	Problems	Public sector			Private sector		
		Total score	Mean score	Rank	Total score	Mean score	Rank
1	Security problem	28976	58.0	I	29733	59.5	I
2	Cost implication	25975	52.0	VI	26132	52.3	V
3	Inadequate knowledge to operate	28142	56.3	II	27936	55.9	III
4	Poor network	26842	53.7	III	26602	53.2	IV
5	Lack of receipt for the transaction	20845	41.7	VIII	19343	38.7	VIII
6	Lack of personal service	26305	52.6	V	30163	60.3	I
7	Lack of user friendly banker website	20448	40.9	IX	18268	36.5	IX
8	More formalities	21427	42.9	VII	22292	44.6	VII
9	More hidden cost	26820	53.6	IV	25321	50.6	VI

It is observed from the above table that 'security problem' which was ranked first with the Garrett score of 28976 points in public sector banks whereas 'lack of personal service' with the Garrett score of 30163 points in private sector banks. It is followed by the second problem 'inadequate knowledge to operate' with the Garrett score of 28142 points in public sector banks whereas 'security problem' with the Garrett score 29733 points in private sector banks. The third rank moves towards the problem 'poor network' with the Garrett score of 26842 points in public sector banks whereas 'inadequate knowledge to operate' with the Garrett score of 27936 points in private sector banks. The fourth rank occupied the problem 'more hidden cost' in public sector banks and 'poor network' in private sector banks with the Garrett score of 26820 and 26602 points respectively.

Suggestions

This study explores in depth the adaptation of e-banking in the public sector and private sector banks in Erode. This research provides several preliminary insights in the role of providing different types of e-services provided by the banks and focused on security measures required while accessing services. In the future period both Public and Private Sector banks are needed to increase their security measures, customer friendly services to retain the customers and increasing e-based solution for providing customer centred services.

Conclusion

E-Banking is one of the largest ICT technologies promoting the banking transactions. When the banking services are performed through the E-Banking tools, it will be more convenient for the account holders to enable them to complete their banking related activities in a better way. Moreover the banking transactions provide safety and security services to the account holders in their financial activities. It will be more convenient and speedy services in the field of finance to the people all over the world. The concerned ministry of finance may take further steps to improve the banking related activities, provided by the public and private sector banks.

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