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THE MEASURMENT OF THE PERCEPTION OF CUSTOMERS TOWARDS INTERNET BANKING SERVICES IN RAMANATHAPURAM DISTRICT

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ABSTRACT   Customers are the most important assets of any business. The success and failure of any business depends upon how far they satisfy the expectation of their customers. The increase in volume of customers automatically lead to deterioration in quality of customer services. Banks are an important social organization rendering valuable financial services to its customers. Realizing the importance of customer service in banks, recommendations are made by various committees to improve the services quality of banks. The nationalization of major commercial banks led to 'Mass banking' which in turn increased the volume of customers. In the present study primary and secondary data have been used. In the study convenient random sampling technique has been adopted for selecting a sample of 225 respondents who have used internet banking in Ramanathapuram district in selected banks through questionnaire. The present study focuses on components used for measuring the satisfaction of the respondents towards internet banking, level of satisfaction towards banking products and services and problems faced by the respondents in internet banking It is clear from that responsiveness (Promptness with which employees willing to serve) is a factor which is considered for measuring the perception of the respondents towards internet banking followed by courteous service (Individual attention and make them feel as special).

KEYWORDS :

INTRODUCTION
Customer perception is an outcome of purchase and use resulting from the comparison of the rewards and costs vis-à-vis customers' expectations and actual performance of the product purchased in relation to the expected results. Customer perception is a measure that fulfills the general expectations of a customer and how far and/or close does the existing bank come to the customer's ideal bank in his mind. Customers are the most important assets of any business. The success or failure of any business depends upon how far they satisfy the expectation of their customers. The increase in the volume of customers automatically leads to deterioration in quality of customer services. Banks are an important social organization rendering valuable financial services to its customers. Realizing the importance of customer service in banks, recommendations are made by various committees to improve the services quality of banks. The nationalization of major commercial banks led to 'Mass banking' which in turn increased the volume of customers.

Statement of the Problem
The tremendous advances in technology and the aggressive infusion of information technology had brought in a paradigm shift in banking operations. For the banks, technology has emerged as a strategic resource for achieving higher efficiency, control of operations, productivity and profitability. For customers, it is the realization of their 'anywhere, anytime, anyway' banking dream. This has prompted the banks to embrace technology to meet the increasing customer expectation and face the tough competition.

The recent trends show that most 'brick and mortar' banks are shifting from a 'product-centric' model to a 'customer-centric' model as they develop their new e-banking capabilities. They have, over a long time, been using electronic and telecommunication networks for delivering a wide range of value added products and services. The delivery channels include direct dial–up connections, private networks, public networks etc and the devices include telephone, Personal Computers including the Automated Teller Machines, etc.

With the popularity of PCs, easy access to Internet and World Wide Web (WWW), banks increasingly use Internet as a channel for receiving instructions and delivering their products and services to their customers. This form of banking is generally referred to as Internet Banking, although the range of products and services offered by different banks vary widely both in their content and sophistication. Hence, it is essential to study the measurement of the perception of customers towards internet banking services in Ramanath apuram district**.**

OBJECTIVES OF THE STUDY
By means of the present study, the researcher endeavors to undertake a comprehensive enquiry to fulfill the objectives set out below;
* To examine the components used to measure the satisfaction of the respondents towards internet banking.
* To measure the level of satisfaction of the respondents towards banking products/services.
* To investigate the problems faced by the respondents regarding internet banking.
* To offer suitable suggestions for improving the services of internet banking based on the finding of the study.

Scope of the Study
The present study focuses on components used for measuring the satisfaction of the respondents towards internet banking, level of satisfaction towards banking products and services and problems faced by the respondents in internet banking.

Methodology
In the present study primary and secondary data have been used. Convenient random sampling technique has been adopted for selecting a sample of 225 respondents who have used internet banking in Ramanathapuram district in selected banks through questionnaire. The collected data are analyzed by classifying and tabulating. The secondary data have been collected from books, journals, magazines, report & websites. The primary data have been analysed by using the following statistical tools such as ; Percentage analysis, Likert's five point scaling technique, Pearson Correlation Co-

efficient, Ranking, Mean and Standard deviation.

Analytical Framework
Simple ranking technique has been used to analyse the factors considered while selecting a particular bank. The level of the perception of the respondents towards products and services has been measured with the help of mean and standard deviation. In case of products, the total perception score of a respondent is obtained by adding up scores of all the 16 statements. In case of services, the total perception score of a respondent is obtained by adding up scores of all the 22 statements. The level of perception has been classified into three categories namely low level, medium level and high level perception for analytical purposes.

The score values greater than $X+$ S.D. and the score values less than $X-$ S.D. have been classified as high level of perception and low level of perception, respectively. The score values between $(X+$ S.D.) and $(X-S.D.)$ have been classified as medium level of perception. X and S.D. are the arithmetic mean and standard deviation calculated from the score value of 225 respondents.

Level of Perception for products
The calculated values of X and S.D. are 44.61 and 2.34 respectively.
Therefore,
X + S.D. (44.61 + 2.34) = 47.26 = 47 and above – High level perception
X – S.D. (44.61 – 2.34) = 42.27 = 42 and below - Low Level perception
(X - S.D) and (X + S.D.) between 42 to 47) - Medium Level perception

Level of Perception for services
The calculated values of X and S.D. are 73.21 and 5.48 respectively.
Therefore,
X + S.D. (73.21 + 5.48) = 78.69 = 79 and above – High level perception

X – S.D. (73.21 – 5.48) = 67.73 = 68 and below - Low Level perception
(X - S.D) and (X + S.D.) between 68 to 79) - Medium Level perception

Karl Pearson's Co-efficient of Correlation has been used to examine the relationship between the level of perception of the respondents towards products and services. Chi square test has been used to analyse the socio-economic profile of the respondents and their level of perception towards products/services.

Table 1
Level of perception of the respondents towards products and services

Level	Products		Services	
	No. of Respondents	Percentage	No. of Respondents	Percentage
High	82	36.44	69	30.67
Medium	104	46.22	134	59.56
Low	39	17.33	22	9.78
Total	225	100	225	100

Source: Primary data

Regarding products, 104 (46.22 per cent) have medium level perception, 82 (36.44 per cent) have high level perception and 39 (17.33 per cent) have low level perception towards products. Regarding services, 134 (59.56 per cent) have medium level perception, 69 (30.67 per cent) have high level perception and 22 (9.78 per cent) have low level perception towards services.

Pearson correlation co-efficient has been used to analyse the level of perception towards products and services. Correlation value (r) = 0.962 which indicates that there is a high degree of positive correlation between the level of perception of the respondents towards products and services. The Components Used for Measuring the Perception of the Respondents towards Internet Banking.

Table 2 Components Used for Measuring the Perception of the Respondents towards Internet Banking

CONVEIENCE	S.A	A	N	D.A	S.D.A
Convenient location and Timings	37	46	41	69	32
Reduced processing time	59	58	33	36	39
Low service charges	76	63	47	11	28
Easy to maintain banking transaction activity	78	66	15	29	37
Provide a wide range of products and services	60	11	28	81	45
COURTEOUS SERVICE	**S.A**	**A**	**N**	**D.A**	**S.D.A**
Welcome the customers with smile	58	16	38	72	41
A positive perception and willingness to serve the customers	82	54	16	28	45
Individual attention and make them feel special	99	16	75	17	18
Employees are courteous	43	42	30	83	27
Easy to approach and contact	37	30	68	45	45
EMPLOYEE COMPETENCE	**S.A**	**A**	**N**	**D.A**	**S.D.A**
Knowledge of the internet banking and their products and services	85	62	29	14	35
Employees are more skilled and capable of using Internet Banking	67	32	41	21	64
The banks staffs are able to provide professional advice to its customers	65	54	44	53	9
Bank employees know what your needs are and how the banks product can satisfy you	17	68	19	55	66
Having patience and proper guidance to all services	85	17	42	17	64
RESPONSIVENESS	**S.A**	**A**	**N**	**D.A**	**S.D.A**
Responding to customer enquires immediately	68	56	42	25	34
To help customers and provide prompt service	65	76	63	18	3
The bank staffs adequately communicate information to their customers	95	22	61	32	15
Promptness with which employees willing to serve	89	78	35	18	5
Resolving problems quickly	107	25	71	16	6
ASSURANCE	**S.A**	**A**	**N**	**D.A**	**S.D.A**
Maintaining the customer secrecy	86	22	41	26	50

Providing services at right time	43	63	43	44	32
Providing accurate service	65	40	18	93	9
Providing transparent service	69	38	14	75	29
Solving the problems of customers	54	64	15	82	10
SECURITY/PRIVACY	**S.A**	**A**	**N**	**D.A**	**S.D.A**
Minimise the risk	44	53	12	10	35
Safe for the customers to use the internet banking	59	30	41	53	10
There are guarantees in internet banking	21	23	32	68	86
Protecting the data and the information	68	19	66	27	65
Customers feel safe in their transactions with the bank	85	12	20	71	64
BANK PREMISES	**S.A**	**A**	**N**	**D.A**	**S.D.A**
The inside ambience and the layout of the bank is eye catching with adequate sitting facility	40	67	23	52	225
The interior design of the premises facilitates the transactions	73	33	30	29	225
Easy accessibility of broachers and pamphlets	40	12	31	61	225
Parking facilities	42	91	10	5	225
Drinking water and other facilities	41	13	68	15	225
HANDLING COMPLAINTS	**S.A**	**A**	**N**	**D.A**	**S.D.A**
The bank staff listens to the complaints very patiently	68	40	76	19	225
The bank staff apologise if they have committed any mistake	54	35	19	32	225
The bank staff are ready to correct mistakes	42	54	60	14	225
Solving verbal complaints immediately by the managers	39	39	33	28	225
The bank send acknowledgements within 24 hours the receipt of written complaints from the customers	56	64	17	26	225
RETAIL BANKING	**S.A**	**A**	**N**	**D.A**	**S.D.A**
Lesser time taken to the following activities:					
Open an account	67	27	12	52	67
Issue a draft, cheque book, passbook and ATM card	52	42	61	38	32
Answer routine customer queries account balance, cheque clearing status, interest rates etc	81	33	22	51	38
Give a locker and transact the locker facility	63	71	46	28	17
Issue an account statement	47	56	41	62	19

Source: Primary data

Weighted Mean score analysis has been used to analyse the components used for measuring the perception of the respondents towards internet banking. The responses given by the respondents as Strongly Agree, Agree, no opinion, disagree and strongly disagree are multiplied by 5,4,3,2, and 1. Total score has been found out and mean score is obtained by dividing the total score by number of respondents The mean score results are given in Table 3.

Table 3 Components Used for Measuring the Perception of the Respondents towards Internet Banking - Weighted Mean Score Analysis

CONVEIENCE	S.A	A	N	D.A	S.D.A	Total score	Mean score
Convenient location and Timings	185	184	123	138	32	662	2.94
Reduced processing time	295	232	99	72	39	737	3.28
Low service charges	380	252	141	22	28	823	3.66
Easy to maintain banking transaction activity	390	264	45	58	37	794	3.53
Provide a wide range of products and services	300	44	84	162	45	635	2.82
COURTEOUS SERVICE							
Welcome the customers with smile	290	64	114	144	41	653	2.90
A positive perception and willingness to serve the customers	410	216	48	56	45	775	3.44
Individual attention and make them feel special	495	64	225	34	18	836	3.72
Employees are courteous	215	168	90	166	27	666	2.96
Easy to approach and contact	185	120	204	90	45	644	2.86
EMPLOYEE COMPETENCE							
Knowledge of the internet banking and their products and services	425	248	87	28	35	823	3.66
Employees are more skilled and capable of using Internet Banking	335	128	123	42	64	692	3.08
The banks staff are able to provide professional advice to its customers	325	216	132	106	9	788	3.50
Bank employees know what your needs are and how the banks product can satisfy you	85	272	57	110	66	590	2.62
Having patience and proper guidance to all services	425	68	126	34	64	717	3.19
RESPONSIVENESS							
Responding to customer enquires immediately	340	224	126	50	34	774	3.44
To help customers and provide prompt service	325	304	189	36	3	857	3.81

The bank staff adequately communicate information to their customers	475	88	183	64	15	825	3.67
Promptness with which employees willing to serve	445	312	105	36	5	903	4.01
Resolving problems quickly	535	100	213	32	6	886	3.94
ASSURANCE							
Maintaining the customer secrecy	430	88	123	52	50	743	3.30
Providing services at right time	215	252	129	88	32	716	3.18
Providing accurate service	325	160	54	186	9	734	3.26
Providing transparent service	345	152	42	150	29	718	3.19
Solving the problems of customers	270	256	45	164	10	745	3.31
SECURITY/PRIVACY							
Minimize the risk	220	212	36	20	35	523	2.32
Safe for the customers to use the internet banking	295	120	123	106	10	654	2.91
There are guarantees in internet banking	105	92	96	136	86	515	2.29
Protecting the data and the information	340	76	198	54	65	733	3.26
Customers feel safe in their transactions with the bank	425	48	60	142	64	739	3.28
BANK PREMISES							
The inside ambience and the layout of the bank is eye catching with adequate sitting facility	215	160	201	46	52	674	3.00
The interior design of the premises facilitates the transactions	300	292	99	60	29	780	3.47
Easy accessibility of broachers and pamphlets	405	160	36	62	61	724	3.22
Parking facilities	385	168	273	20	5	851	3.78
Drinking water and other facilities	440	164	39	136	15	794	3.53
HANDLING COMPLAINTS							
The bank staff listens to the complaints very patiently	110	272	120	152	19	673	2.99
The bank staff apologise if they have committed any mistake	425	216	105	38	32	816	3.63
The bank staff are ready to correct mistakes	275	168	162	120	14	739	3.28
Solving verbal complaints immediately by the managers	430	156	117	66	28	797	3.54
The bank send acknowledgements within 24 hours the receipt of written complaints from the customers	310	224	192	34	26	786	3.49
RETAIL BANKING							
Lesser time taken to the following activities:							
Open an account	335	108	36	104	67	650	2.89
Issue a draft, cheque book, passbook and ATM card	260	168	183	76	32	719	3.20
Answer routine customer queries account balance, cheque clearing status, interest rates etc	405	132	66	102	38	743	3.30
Give a locker and transact the locker facility	315	284	138	56	17	810	3.60
Issue an account statement	235	224	123	124	19	725	3.22

Source: Primary data

Table 4 depicts the dominant factor loadings of mean score analysis.

Table 4 Dominant Factor Loadings

Factors	Statements	Mean score	Rank
Convenience	Low service charges	3.66	III
Courteous service	Individual attention and make them feel special	3.72	II
Employee competence	Knowledge of the internet banking and their products and services	3.66	III
Responsiveness	Promptness with which employees willing to serve	4.01	I
Assurance	Solving the problems of customers	3.31	VIII
Security/privacy	Customers feel safe in their transactions with the bank	3.28	IX
Bank premises	Drinking water and other facilities	3.53	VII
Handling complaints	The bank staff apologise if they have committed any mistake	3.63	V
Retail banking	Give a locker and transact the locker facility	3.60	VI

Source: Primary data

It is clear from Table 4 that responsiveness (Promptness with which employees willing to serve) is a factors which is considered for measuring the perception of the respondents towards internet banking followed by courteous service (Individual attention and make them feel special).

PROBLEMS FACED BY RESPONDENTS IN INTERNET BANKING

Table 5 pinpoints the problems faced by the respondents in internet banking.

Problems	Ranks												Total
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Delay in correcting the mistake	46	54	22	22	6	4	5	12	10	35	7	2	225
Refusal to grant loans to eligible borrowers	11	16	14	4	13	15	3	44	41	10	52	2	225

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Unhelpful attitude and discourteous behaviour of staff members	19	15	18	19	9	21	23	32	16	8	12	33	225
Delay in giving quick response	29	23	14	17	29	6	22	21	27	5	9	23	225
Displayed invalid while typing actual PIN number	15	27	15	18	10	18	30	23	37	6	21	5	225
Complication for transaction of e-banking	43	19	7	13	24	22	6	7	3	17	12	52	225
Shortage of amount in ATM	5	8	33	15	29	8	4	13	19	32	51	8	225
Non functioning of ATM machine	19	4	12	16	39	21	13	10	28	26	22	15	225
Over crowd in their branch	17	3	9	10	5	6	69	29	3	30	16	28	225
Bank employees are always busy	8	16	13	18	15	43	23	14	17	1	16	41	225
Lack of bank knowledge	4	25	25	12	19	34	25	15	18	32	5	11	225
Others(specify)	9	15	43	61	27	27	2	5	6	23	2	5	225
Total	225	225	225	225	225	225	225	225	225	225	225	225	

Source: Primary data

Weighted ranking technique has been used to analyse the problems faced by the respondents in internet banking and results are given in Table 6.

Table 6 Problems faced by the respondents – Weighted ranking technique

PARTICULARS	Ranks														Rank
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Total	Mean	
Delay in correcting the mistake	552	594	220	198	48	28	30	60	40	105	14	2	1891	10.77	I
Refusal to grant loans to eligible borrowers	132	176	140	36	104	105	18	220	164	30	104	2	1231	7.01	X
Unhelpful attitude and discourteous behaviour of staff members	228	165	180	171	72	147	138	160	64	24	24	33	1406	8.01	VI
Delay in giving quick response	348	253	140	153	232	42	132	105	108	15	18	23	1569	8.94	II
Displayed invalid while typing actual PIN number	180	297	150	162	80	126	180	115	148	18	42	5	1503	8.56	III
Complication for transaction of e-banking	516	209	70	117	192	154	36	35	12	51	24	52	1468	8.36	V
Shortage of amount in ATM	60	88	330	135	232	56	24	65	76	96	102	8	1272	7.25	IX
Non functioning of ATM machine	228	44	120	144	312	147	78	50	112	78	44	15	1372	7.82	VII
Over crowd in their branch	204	33	90	90	40	42	414	145	12	90	32	28	1220	6.95	XI
Bank employees are always busy	96	176	130	162	120	301	138	70	68	3	32	41	1337	7.62	VIII
Lack of bank knowledge	48	275	250	108	152	238	150	75	72	96	10	11	1485	8.46	IV
Others(specify)	108	165	430	549	216	189	12	25	24	69	4	5	1796	10.23	
Total													17550		

Source: Primary data

Most of the respondents gave I rank to the statement 'Delay in correcting the mistake' with the mean score of 10.77 followed by 'Delay in giving quick response' with the mean score of 8.94.

CONCLUSION

Customer perception is indeed a measurement that fulfills the general expectations of a customer. The study analyse the difference between the customer's ideal bank in his mind and the present scenario the responsiveness is a factor which is considered for measuring the perception of the respondents towards internet banking followed by courteous service.

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