



AWARENESS, UTILIZATION AND CHALLENGES OF CUSTOMERS TOWARDS E-BANKING WITH REFERENCE TO VELLORE DISTRICT

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ABSTRACT

Electronic banking or e-banking is the term that portrays all transitions takes place among organizations, associations and individual and their financial establishments. First conceptualized was in the mid-1970's a few banks offered client electronic banking in 1985. The development of E-Banking has empowered the banks to offer constant exchanges and coordinate all clients' connected capacities. Indian Banks are using the new innovation to give better innovation and advantageous access to its clients and India is therefore ready to for a colossal development in the realm of electronic banking. The effect of e-counts on productivity has been disregarded which can give a decent stage for future research.

KEYWORDS : e-banking, new technology

Introduction

E-Banking alludes to the financial administrations given by the banks over the web. A portion of these administrations incorporate paying of bills, reserves exchange, seeing record explanation, and so on. Banks likewise convey their most recent items and administrations over the web. Web banking is performed through a PC framework or comparable gadgets that can associate with the financial webpage by means of the web. Since the introduction of the facility in early 1980s in The United States of America, the world before long took hold of the idea because of the significant advantages it brought upon the financial business.

E-banking implies giving financial items and administrations through electronic conveyance stations like ATM, web banking, phone banking and other electronic conveyance channels. Robotized Teller Machine is electronic mechanized media transmission gadget that enables a client to straightforwardly utilize a tied down strategy for correspondence to get to their ledgers or make money withdrawals and different administrations.

Step by step expanding change in innovation world, it prompts improves e-banking administrations of different banks. These days, you can likewise utilize web putting money on your cell phones utilizing a Wi-Fi or 4G association. Banking is presently not any more constrained in proceeding to visit the bank face to face for different purposes like saving and pulling back cash, mentioning for record explanation, stop an installment, and so forth. E-banking has been seen as a progressed updating from past electronic conveyance frameworks to open numerous new business open doors for the financial business. Internet banking very helpful to the client one who have PC with web association, they need not visit bank office for their business exchanges. Basically they can execute anywhere, whenever on the off chance that they have web association.

Review of literature

Dr. Shamsheer Singh (2014) Researched on client impression of e-banking. The Internet innovation is viewed as the most significant influx of insurgency after the horticultural and mechanical transformation. This paper has analyzed the reception and effect of e-banking among the clients of various banks. The banks in India are dashing to utilize this most recent innovation to decrease their operational expenses and increment client base. E-banking is a term utilized for performing balance checks, account exchanges, installments and so on.

Furst (2000) characterizes web banking as the utilization of the Internet as a remote conveyance channel for banking administrations. Web is the main thrust behind web based banking, the innovation that has empowered to lead and process exchanges at the flicker of an eye. In 2014, a survey conducted by the Board of Governors of the Federal Reserve System of United States of America, it has been found out that 72% of bank users used online banking as a medium to interact with

their banks. A study conducted by Office for National Statistics, UK in 2013 derived that 76% of the household populace with access to Internet, performed online banking activities. However, from the total population, the number stood up to only 50%, which further clarifies the research problem of the present study.

The study titled "The Mobile Commerce Prospects: A Strategic Analysis of Opportunities in the German Banking Sectors" (2006) done by Dr. Stephan Buse and Rajnish Tiwari examined the viability of mobile financial services on both national and international level.

"Mobile Banking: Where's the Business Case?" done by Hoffman, Karen Epper (2007)4. At mid-2007, at least nine U.S. banks had begun to develop or had rolled out a mobile banking service to their customers, either through a proprietary mobile Internet banking site or via an application embedded into the handset. Proponents believe cell phone banking will grow quickly based on ubiquitous cell phone usage and consumers' growing expectation of anywhere/anytime access. Yet, with banks providing the service to customers for free and carriers clamoring for a piece of the action, a business case remains elusive. Banks say they will justify the investment based on strengthening customer relationships, lowering delivery channel costs and paving the way for more sophisticated mobile financial services in future years.

Abou-Robich, Moutaz (2005) studied how to analyze comfort levels and attitude of users towards online banking facilities. The findings resulted that there is a correlation between attitude towards e-banking and feeling of security with regard to their demographic variables. They can also get e-banking services through personal digital assistance (PDA) automated teller machine (ATM) and their personal computers. The internet banking should not be used.

(Daniel 1999). E-banking is only restricting to the retail banking. (Aladwani, 2001). The concept of e banking is restricted to the both retail and corporate banking. (Simpson, 2002). E-banking is providing retail bank's products and services which includes account management, deposit taking, giving a financial advice, lending of money and payment of bills through electronic medium. E-banking is ten times cheaper as compare to conventional banking through this the customers using e-banking can generate double profit as they are using this service which is ten times cheaper than the traditional method their transaction cost reduce and they can use the e banking service at any time which is easier to use. (Basel Committee Report on Banking Supervision 1998). With the help of new technology providing banking services is known as e-banking. (Daniel, 1999).

Sunil Kumar (2015) has done a study on consumer awareness and usage of e-banking services. The result of this research was found to be that, the consumers are not frequently using these services but they have strong desire to use these services in future. The present study is being undertaken to analyze how the banks have been exploring the feasibility of using mobile phones as an alternative channel of delivery

of banking services.

R. Elavarasi, Dr. S. T. Surulivel (2014) examined that mean age of e-banking users were mostly men as compared to women. The major finding is that there is an increasing change in technology world and it leads to improve e-banking services in various banks. As today's human life has become machine oriented and they don't have enough time to visit bank branch like before. And they could access it anywhere at any time, if they have internet connection.

Statement of the problem:

E-banking offers various services to the customer's, and the facilities of internet banking services can be carried out from their comfort of their home/ office with only the usage of Internet. The E-Banking services help to check the accounts and do all the transactions through online 24*7 without any hassle. They can transfer funds to other accounts maintained with any bank in the world, hence this study focuses on the different services of E-banking and customer's convenience towards it.

Objectives of the study

- To evaluate the awareness of customers towards E- Banking services.
- To identify the reasons for utilization of e-banking services.
- To examine the challenges faced by customers in utilizing E-banking services.

Research Methodology

Data Source

Primary data has been used for the study. Primary data was collected by means of questionnaire and analysis has been made on the basis of response received from the customer's.

Tools and Techniques

The data analyses with the help of statistical tools such as Percentage analysis, Chi-square test.

Period of the study

The survey to know about the awareness and usage of customers who use E-banking service has been done only for 4 months.

Sample Design

A sample size of 100 respondents has been taken for the study by adopting convenience sampling techniques. The study has been undertaken only in Vellore district.

Limitations of the study

The sample size of only 100 was taken from the large population. The study is limited to areas of Vellore district only.

Analysis and interpretation

Relationship between annual income and knowledge of banking service

Hypothesis (H0): There is no significant difference between annual income and knowledge of banking services.

Hypothesis (H1): There is a significant difference between annual income and knowledge of banking services.

System variable	Source of variation	Sum of Squares	Degree of freedom	Mean Square	F ratio	F-Limit	Result
Bank branch	Between Groups	1.420	3	.569			
	Within Groups	131.580	96	1.327	.389	.761	Accepted
Total		133.000	99				
Banking service	Between Groups	.678	3	.256			
	Within Groups	120.312	96	1.24	.095	.964	Accepted
Total		120.990	99				

Source: computed

At 5% significance

The above table shows that there is no significant difference between annual income and knowledge of banking services.

CONCLUSION

Most of the services through e-banking/ Internet banking performed by both public and private are beyond the expectations of the customer's. It has been observed that even the customers who know about internet banking channel are not using this facility due to misconception and lack of information. These customers should be targeted by the bank and must be convinced to use the same. The result of the study shows that customers are using only few facilities of various E-banking services.

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