



Exploratory Study on Internet Banking Usage in Surat City

MR. NAVIN H. SAPARIYA

ASST. PROF. AT VIDYABHARTI TRUST COLLEGE OF BBA & BCA, UMRAXH, BARDOLI, SURAT, GUJARAT, INDIA.

KEYWORDS

INTRODUCTION

One of the technologies which really brought information revolution in the society is Internet Technology and is rightly regarded as the third wave of revolution after agricultural and industrial revolution. Advent and adoption of Internet by the industries has removed the constraint of time, distance and communication making globe truly a small village. Financial sector being no exception, numerous factors such as competitive cost, customer service, increase in education and income level of customers, etc. influence banks to evaluate their technology and assess their electronic commerce and internet banking strategies. In the last three decades, the Internet has grown to become one of the most amazing technological and social accomplishments of the last century. Millions of people, most of them are not computer coordination researchers or experts, now they are using this complex, interconnected network of computer. The computers are located in almost every country of the world. Every year, billions of dollars change hands over the Internet in exchange for all kinds of products and services. All of this activity occurs with no central point or control, which is especially ironic given that the Internet began as a way for the military or maintains control while under attack. The opening of the Internet to business activity helped dramatically increase the growth, however there was another development that worked hand in hand and with the commercialization of the Internet to spur its growth. That development was the World Wide Web (Schneider, 2007).

LITERATURE REVIEW

Almost everyone who you come across these days seems to be using Internet banking and the traditional customer bank manager relationship has been replaced by a password. Internet banking is not only convenient for customers, it also negates the need for keeping some bank branches open for 24 hours a day to provide unparalleled customer service. In addition to that providing the Internet banking option for a bank may require some amount of initial investment, but the costs can be covered soon due to the speed with which customers can be handled and the cut backs on overtime and establishment costs. Internet banking also reduces the amount of administrative work that is otherwise required to manage a bank branch.

The i-banking, now is more of a norm rather than an exception in many developed countries due to the fact that it is the cheapest way of providing banking services (Arunachalam and Sivasubramanian, 2007). Internet banking is a new delivery channel for banks in India. The i-banking channel is both an informative and a transactional medium. However, i-banking has not been popularly adopted in India as expected (Ravi et al., 2007).

The findings of this study shown that the level and nature of customer participation had the greatest impact on the quality of the service experience and issues such as customers' zone of tolerance, the degree of role understanding by customers and emotional response potentially determined, expected and

perceived service quality (Broderick and Achirapornpuk,2002). This study suggested that consumer perceptions of transaction security, transaction accuracy, user friendliness and network speed are the critical factors for success in Internet banking (Liao and Cheung,2003).

RESEARCH METHODOLOGY

Research Topic:

An exploratory study on internet banking usage in Surat city.

Objective Of The Study:

To explore the factors impeding the usage of Internet Banking.

To study the importance of Internet Banking in Indian scenario.

Research design:

Descriptive research design has been used for the study.

Population:

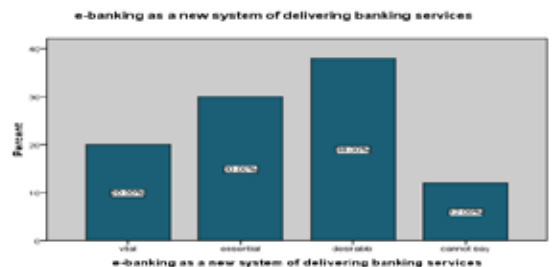
The Population Consists of Surat Region.

Sample Size:

50 samples are selected from Surat Region.

Q.1) In general, what do you feel about E-banking as a new system of delivering banking services?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Vital	10	20.0	20.0	20.0
	Essential	15	30.0	30.0	50.0
	Desirable	19	38.0	38.0	88.0
	cannot say	6	12.0	12.0	100.0
	Total	50	100.0	100.0	



Interpretation:

Above the chart are represent 20% respondent are vital of this question and 30% respondent are essential of this question and 38% respondent are desirable of this question and 12% respondent are cannot say of this question so, the majority 38% respondent are desirable for e-banking as a new system of delivering banking services.

Q.2) How did you come to know about E-banking services?(Tick as many as applicable)

From bank officials:-

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Select	34	68.0	68.0	68.0
	not select	16	32.0	32.0	100.0
	Total	50	100.0	100.0	

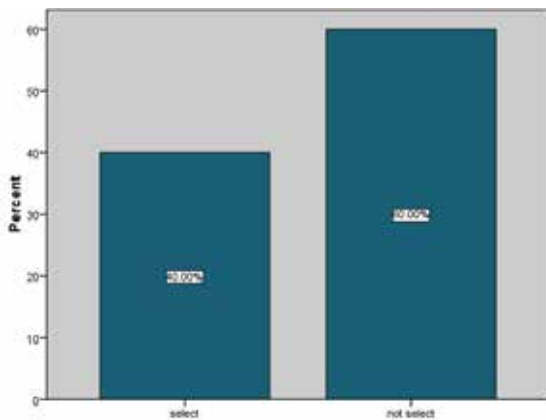
Interpretation:



Above the chart are represent 32% respondent are select of this question and 58% respondent are not select of this question so, the majority 58% respondent are not select for From bank officials.

Advertisement in print media:-

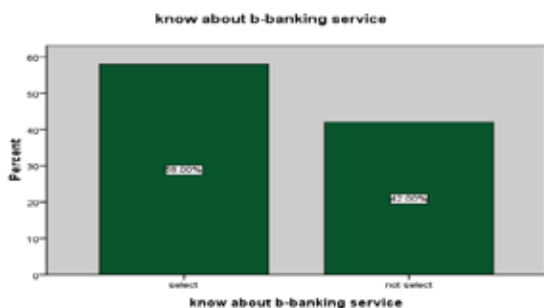
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	select	20	40.0	40.0	40.0
	not select	30	60.0	60.0	100.0
	Total	50	100.0	100.0	



Interpretation:

Above the chart are represent 40% respondent are selected of this question and 60% respondent are not selected of this question so, the majority 60% respondent are not select for advertisement in print media.

Television and radio advertisement:-



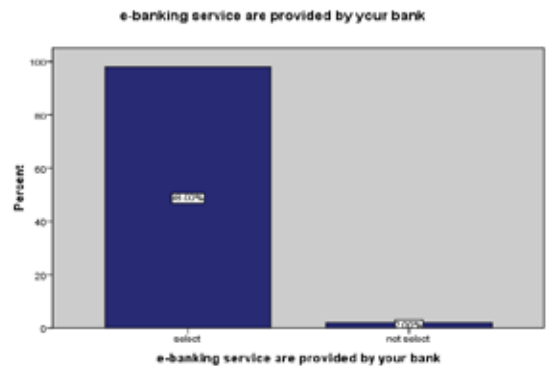
Interpretation:

Above the chart are represent 58% respondent are select of this question and 42% respondent are not select of this question so, the majority 58% respondent are select for television and radio advertisement.

Q.3) (i) Which among the following E-banking services are provided by your bank? (Tick as many as applicable)

ATM:-

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Select	49	98.0	98.0	98.0
	not select	1	2.0	2.0	100.0
	Total	50	100.0	100.0	

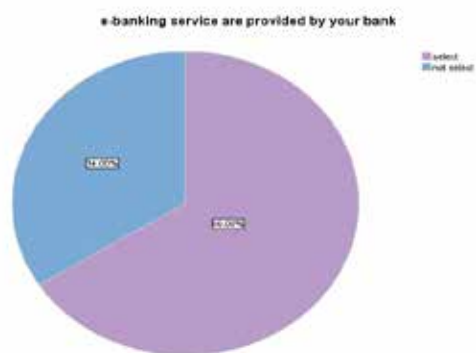


Interpretation:

Above the chart are represent 98% respondent are select of this question and 02% respondent are not select of this question so, the majority 98% respondent are select for ATM.

Internet banking:-

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	select	33	66.0	66.0	66.0
	not select	17	34.0	34.0	100.0
	Total	50	100.0	100.0	



Interpretation:

Above the chart are represent 66% respondent are select of this question and 34% respondent are not select of this question so, the majority 64% respondent are select for internet banking.

Mobile banking:-

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	select	42	84.0	84.0	84.0
	not select	8	16.0	16.0	100.0
	Total	50	100.0	100.0	

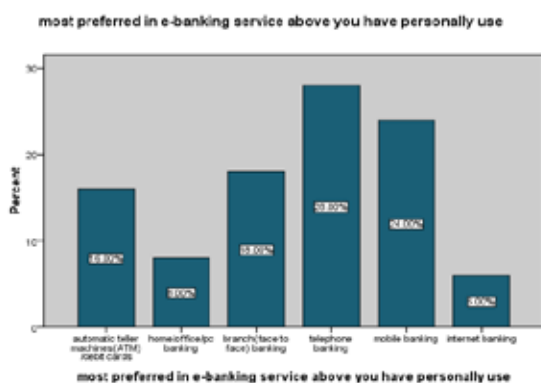


Interpretation:

Above the chart are represent 84% respondent are select of this question and 16% respondent are not select of this question so, the majority 84% respondent are select for mobile banking.

Q.4) Most preferred in E-Banking services above you have personally use?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	automatic teller machines(ATM)/debit cards	8	16.0	16.0	16.0
	home/office/pc banking	4	8.0	8.0	24.0
	branch(face to face) banking	9	18.0	18.0	42.0
	telephone banking	14	28.0	28.0	70.0
	mobile banking	12	24.0	24.0	94.0
	internet banking	3	6.0	6.0	100.0
	Total	50	100.0	100.0	

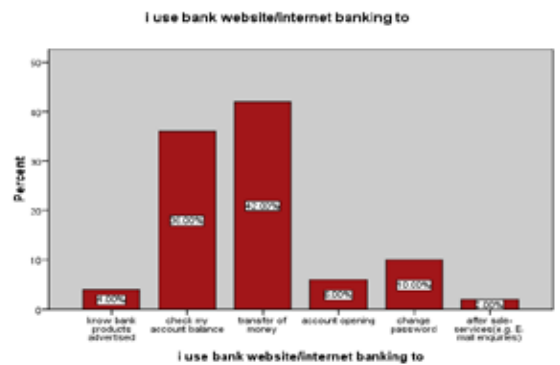


Interpretation:

Above the chart are represent 16% respondent are automatic teller machines(ATM)/debit cards of this question and 08% respondent are home/office/pc banking of this question and 18% respondent are brance(face to face)banking of this question and 28% respondent are telephone banking of this question and 24% respondent are mobile banking of this question and 06% respondent are internet banking of this question so, the majority 28% respondent are telephone banking for most preferred in e-banking service above you have personally use.

Q.6) I use bank website/internet banking to:-

		Frequency	Per-cent	Valid Percent	Cumu-lative Percent
Valid	know bank products adver-tised	2	4.0	4.0	4.0
	check my ac-count balance	18	36.0	36.0	40.0
	transfer of money	21	42.0	42.0	82.0
	account opening	3	6.0	6.0	88.0
	change pass-word	5	10.0	10.0	98.0
	after sale-ser-vices(e.g. E-mail enquiries)	1	2.0	2.0	100.0
	Total	50	100.0	100.0	

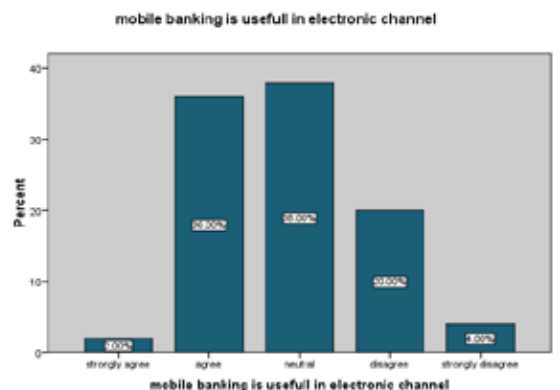


Interpretation:

Above the chart are represent 04% respondent are know bank products advertised of this question and 36% respondent are check my account balance of this question and 42% respondent are transfer of money of this question and 06% respondent are accounting opening of this question and 10% respondent are change password of this question and 02% respondent are after sale-services of this question so, the majority 42% respondent are transfer of money for use bank website/internet banking.

Q.7) Mobile banking is useful in electronic channel (Tick the appropriate)

		Frequen-cy	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	1	2.0	2.0	2.0
	Agree	18	36.0	36.0	38.0
	Neutral	19	38.0	38.0	76.0
	Disagree	10	20.0	20.0	96.0
	strongly disagree	2	4.0	4.0	100.0
	Total	50	100.0	100.0	



Interpretation:

Above the chart are represent 02% respondent are strongly agree of this question and 36% respondent are agree of this question and 38% respondent are neutral of this question and 20% respondent are disagree of this question and 04% respondent are strongly disagree of this question so, the majority 38% respondent are neutral for mobile banking is useful in electronic channel.

FINDING

The majority of 38% desirable user are using internet banking service in valod & bardoli area are e-banking as a new system of delivering banking service.

From the analysis, 60% respondent among 100% respondents recommend the bank to advertisement in print media.

From the analysis, Most provided service by bank of 98% respondent are ATM.

The service that mostly used by maximum customer are mobile banking service.

From the analysis, it was found that most of the respondent i.e.40% among 100% respondents are using internets banking are last 2-3 year.

The majority of 28% of telephonic banking are most used of personally used.

The ATM service that mostly used by maximum customer are withdraw of cash, paying utility bill like water, phone, electric.

From the analysis, it was found that most of the respondent i.e.42% among 100% respondents are using internets banking service in ATM service are last 2-3 years.

38% neutral respondent of mobile banking is usefull in electronic channel.

The most of the customer are use mobile banking service in 32% customer are know last few transaction in mobile banking service.

60% respondent think electronic banking is better way than traditional banking.

Different banks charge different rate for online services.

60% respondent think e-banking service are generally cheaper than traditional banking at the branch.

54% respondent feel secure to using banking service.

CONCLUSION

When investigating all the variables and the response by consumers, this study reveals that the perception of the consumers can be changed by awareness program, friendly usage, less charge, proper security, and the best response to the services offered. The study as per our basic assumptions we consider only those consumers who know how to use Internet and have an access to Internet, and our study considered only the situation wherein banks provide Internet banking services. By grouping the variables less than one relevant question may result in proper implication for the bankers.

RECOMMENDATIONS

Following are the recommendation to the bank to increase the usage of internet banking among the customers:

Banks must emphasize the convenience that internet banking can provide to people, such as avoiding long queue, in order to motivate them to use it.

Banks should organize seminar and conference to educate the customer regarding uses of internet banking as well as securi-

ty and privacy of their accounts.

Some customers are hindered by lack of computer skills. They need to be educated on basic skills required to conduct internet banking.

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