



A Study on Customers Preference Towards Online Payment of Electricity Bill

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ABSTRACT

The on-line payment systems are E-Commerce businesses allowing money transfers to be made only through Internet. They function as a fast and secure electronic alternative to traditional methods as cheques, money orders or bank transfers. The systems perform payment processing not only for online vendors, auction sites, and other corporate users but between their customers, for which it charges a fee which is much less than the bank wire transfer equivalent. Also called "online wallets" allows their customers to Pay online with revealing their credit / debit card details.

KEYWORDS

Online payment, E-Commerce, credit/debit cards, cheques.

Introduction of Online Payment

Online payment systems remain a major factor in today’s e-commerce sector. Because businesses are expanding globally and also offering online options, the need for alternative forms of payment are quite significant. The use of online payment systems began in the 1960’s and was used mainly among financial and banking institutions. It was during this time that ATM’s and credit cards were first introduced to consumers. Since then, the use of online payment systems has increased substantially and has changed the way consumers do business. Online payment systems have also served as a catalyst for new business formations and social practice. An e-commerce payment system facilitates the acceptance of **electronic payment** for **online transactions**. Also known as a sample of **Electronic Data Interchange (EDI)**, e-commerce payment systems have become increasingly popular due to the widespread use of the internet-based shopping and banking.

Online Payment of Electricity Bill

It is needless to say that method of Online Payment of Electricity consumption keeps consumers away from long queue. Almost every Electricity Board of Indian States are following or about to follow the way of accepting Online Payment of utilities bills. Tamil Nadu government, it has now facilitated the public to pay their electricity bills online through its website, <https://www.tnebnnet.org/>, at their convenience.

All you have to do is just follow the following easy steps.

1. Register your online account with your customer number or service number mentioned in your electricity card. You may also add your other customer numbers or service numbers in case you have more than one later by logging in to your account.
2. Once the registration is done, you will get an email activation link to activate the account. Open the link and activate your online account. This will complete the registration process.
3. Go to <https://www.tnebnnet.org/awp/login> and login using your credentials.



4. Choose the consumer number, if you have more than one consumer number.
5. Select the payment mode. For eg: Net banking or Credit Card or Debit Card
6. Enter your bank or card details and complete the payment.
7. You will get an e-receipt on successful completion of payment.



STATEMENT OF THE PROBLEM

Here the necessity for selecting a problem in research is defined. The problem is stated as to what extent the respondents are satisfied with ONLINE PAYMENT OF ELECTRICITY BILL, the difficulties faced by them in getting the required information and which factors are creating more influence on the respondents.

Objectives of the study

1. To study the sources of awareness of the customers through online payment.
2. To know the reasons for online payment of electricity bill.
3. To study the customer's satisfaction towards online payment.
4. To know the factors affecting the online payment of electricity bill.

Methodology

The methodology planned in this study is as follows:

Nature of research design

The research design adopted in the study was descriptive design, which is concerned with the descriptive of a group. In descriptive research in such a way that the respondents is able to understand clearly what the researcher wants and provides distinct information to measure the data.

Area of the study

The area of the study is in Coimbatore city.

Period of study

The period of study is Nov 2015 to Jan 2016.

Sources of data

The study is based on primary data collection. The data has been collected from the customers of online payment of electricity bill. The secondary data was collected from the articles, journals, newspapers and various websites.

Sampling design of the study

The sampling technique in this project is convenient sampling. The sample size comprises of different types of users who are using online payment. The sample size is restricted to 50 respondents in the present study.

Tools used for analysis

- Percentage analysis
- Chi-square analysis
- Rank analysis
- Karl Pearson's co-efficient of correlation

Limitations of the study

- The area was wide since it is confined only to Coimbatore city only.
- The researcher has collected data by convenient sampling using questionnaire and there is a possibility of certain deviations.
- The study mainly depends on respondent's view which may be biased in nature.

Review of Literature

- **Li and Worington (2004)** described the connectivity between the adoption rate of internet banking and electronic connectivity. The researchers reported that electronic connectivity was discussed through three components, personal computer connectivity, internet connectivity and mobile connectivity. The researchers used regression to analyze the relationship. The results of the study indicated that changes in the electronic connectivity

had a significant impact on the adoption rate of internet banking. The results also indicated that proportion of internet banking customers would increase at various speeds relative to the increase in internet connectivity, PC connectivity and mobile connectivity. This might help banks to predict their future base of internet banking customers and thus an appropriate marketing effort towards internet banking.

- **Walter (2006)** evaluated why people use or choose technology enabled services like internet banking, telephone bill paying and internet shopping service. The author used a behavioural model for the study. The findings of the study showed that customers' adoption rate to use internet and telephone banking was influenced by their willingness to use service, their personal capacity to engage in the service, the risks and advantage involved in the services. The paper also brings out depict that while choosing technology enabled services, customers want convenience, time saving, faster service and security. The author concluded that for more use of technology enabled services, it should make more customers friendly, reduce the system complexity and undue waiting time involved in the service handling.

ANALYSIS AND INTERPRETATIONS

PERCENTAGE ANALYSIS

TABLE-1

CARD USED BY RESPONDENTS FOR ONLINE PAYMENT OF ELECTRICITY BILL

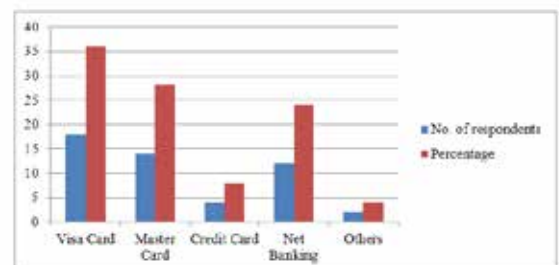
S. No	Card used for online payment of EB bill	No. of respondents	Percentage
1	Visa Card	18	36%
2	Master Card	14	28%
3	Credit card	4	8%
4	Net banking	12	24%
5	Others	2	4%
	Total	50	100

Interpretation:

From the above table out of 50 respondents 36% of them using Visa card, 28% of them using Master card, 24% of them using Net banking, 8% of them using credit card, 4% of them using others.

Majority 36% of them are using Visa card for online payment of Electricity Bill.

CARD USED BY RESPONDENTS FOR ONLINE PAYMENT OF ELECTRICITY BILL



CHI-SQUARE ANALYSIS

Hypothesis:

There is no significant relationship between the age of the respondents and the level of satisfaction towards online payment of electricity bill.

TABLE-2

AGE AND LEVEL OF SATISFACTION

Age	Highly satisfied	Satis-fied	Average	Dissatis-fied	Highly dissatis-fied	Total
Below 20 years	2	4	1	-	-	7
20-40 years	7	15	4	1	-	27
40-60 years	2	8	1	1	-	12
Above 60 years	1	1	1	1	-	4
Total	12	28	7	3	-	50

To find out the association between age and satisfaction level of the respondents.

Calculated value of chi-square = 5.02

Table value 5% = 12

Calculated value	Degree of freedom	Table Value	Result
5.02	12	10.29	Accepted

The calculated value of chi-square at 5% level of significance is lower than the table value hence the hypothesis is accepted. There is a no relationship between age and satisfaction level of online payment of electricity bill.

RANK ANALYSIS

TABLE-3

RANK ANALYSIS OF REASON FOR ONLINE PAYMENT OF EB BILL

Factors	I	II	III	IV	V	Total	Rank
Time Saving	26 (130)	12 (48)	6 (18)	4 (8)	2 (2)	206	I
Convenience	8 (40)	2 (8)	22 (66)	12 (24)	6 (6)	144	III
Lower risk of fraud	4 (20)	6 (24)	8 (24)	20 (40)	12 (12)	120	IV
Simpler Transaction	3 (15)	7 (28)	9 (27)	12 (24)	19 (19)	113	V
Faster Confirmation	10 (50)	18 (72)	9 (27)	8 (16)	5 (5)	170	II

It could be observed from the table that factors towards the “Time Saving” placed as **FIRST RANK** followed by “Faster Conformation” placed as **SECOND RANK**. “Convenience”, “Lower risk of fraud” and “Simpler transaction” occupied **THIRD, FOURTH AND FIFTH RANK** respectively.

KARL PEARSONS CO-EFFICIENT OF CORRELATION

TABLE-4

OCCUPATIONAL STATUS AND LEVEL OF SATISFACTION

Occu-pational status	Level of satisfac-tion	X=x-x̄	Y=y-ȳ			XY
Business	Highly satisfied	5	8	25	64	40
Profession	Satisfied	2	-2	4	4	-4
Employed	Average	6	2	36	4	12
Students	Dissatis-fied	-5	-1	25	1	5
Others	Highly dis-satisfied	-8	-7	64	49	56
				154	122	109

The correlation value between the occupational status of the

respondents and level of satisfaction is 0.79. So there exist a perfect correlation between the two factor i.e. occupational status of the respondents and level of satisfaction.

FINDINGS

Majority of the respondents (36%) of them are using Visa Card

There is no significant relationship between the age of the respondents and the level of satisfaction towards online payment of electricity bill.

It could be observed from the table that factors towards the “Time Saving” placed as **FIRST RANK** followed by “Faster Conformation” placed as **SECOND RANK**. “Convenience”, “Lower risk of fraud” and “Simpler transaction” occupied **THIRD, FOURTH AND FIFTH RANK** respectively.

SUGGESTIONS

- The government must concentrate in avoidance of fake websites to the online payment of EB bill.
- There is no enough awareness regarding safety and security of using online payment of EB bill. So the government must give more awareness to their security.
- Surcharges shall be reduced to increase the online payment of EB bill.

CONCLUSION

From the study the researcher has gained knowledge about the customer preference towards online payment of electricity bill. The study helped the researcher to know about the awareness of online payment of EB bill. Factors like time saving and faster confirmation have a very big impact on the customers. The study concluded that for more use of technology enabled services, it should make more customers friendly, reduce the system complexity and undue waiting time involved in the service handling. The researcher has come to the conclusion that the customers give importance to convenience and surcharges paid by respondents.

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