

A study on the Customer Perception towards E-Banking Services in Tiruchendur Area

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ARTICLE DETAILS

Article History

Published Online: 03 Oct 2018

Keywords

E-banking, customer perception

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ABSTRACT

Internet banking system allows individuals to perform banking activities at home via internet. Most of the internet banks are traditional banks which also offer online banking while others are online only and have no physical offices. Internet banking transaction states that customers use the internet to get access to their personal or business bank accounts online anytime and to undertake banking transactions through the use of banks website without inconvenience. Internet banking allows customers to do their banking transactions anytime and providing continuous control over their accounts. Banks promoted their core capabilities i.e., products, services and advice through internet. E-banking as it has demonstrated the velocity of its growth is incredibly fast and efficient. It has allowed individuals including companies to perform their banking businesses from their homes in a very cost effective way. Studies have shown that with this new technology it has become possible for both the banks and customers to have an immediate insight about the status and operations of their accounts. This study measured customer perception towards E-banking and the utilization of e-banking.

1. Introduction

The advent of internet has initiated an electronic revolution in the global banking sector. The dynamic and flexible nature of this communication channel as well as its ubiquitous reach has helped in leveraging a variety of banking activities. New banking intermediaries offering entirely new types of banking services have emerged as a result of innovative e-business models. E-banking gives customer the control over nearly every aspect of managing his bank accounts. Besides the customers can, buy and sell securities, check stock market information, check currency rates, check balances, see which checks are cleared, transfer money, view transaction history and avoid going to an actual bank. The best benefit is that internet banking is free. At many banks the customer doesn't have to maintain a required minimum balance, the second big benefit is better interest rates for the customer.

2. Various Forms of E-Banking

Tele banking : By dialing the given Tele banking number through a landline or a mobile from anywhere, the customer can access his account and by following the user-friendly menu, entire banking can be done through interactive voice response system.

Debit card: debit cards are also known as check cards. Debit cards look like credit cards or ATM cards, but operate like cash or a personal check. Debit cards are different from credit cards. While a credit card is a way to "pay later," a debit card is a way to "pay now". When you use a debit card, your money is quickly deducted from your checking or saving account.

3. Objectives of the study

- To examine the relationship between level of attitude of the customer towards perception and E-banking services
- To know about the level of satisfaction of the customer towards E-Banking.
- To identify type of problem faced by the customer for the utilization of E-Banking.

4. Scope of the study

The scope of the study is to analyze "A Study on the customer perception towards e-banking services" in tiruchendur area.

5. Limitations of study

- The selection of respondents is limited only to user of the e-banking customer with the study area.
- The number of sample respondents was restricted to 60 only.
- Data collected is basis on the questionnaire method, so the result would be varying according to the opinion of the customer perception.

6. Collection of Data

Both primary and secondary data were used in this study for collecting primary data questionnaire method was adopted. Secondary data were collected from books, journals, magazine, Government offices Records, website etc.,

Construction of tools

Based on the objectives, a questionnaire was constructed by the researcher to be used in this study. The questionnaire were given to 80 respondents out of which 60 respondents selected in tiruchendur area.

Sample Design

The sample size for this study is 60 respondents of the user of E-banking services

Sample Technique

The researcher has adopted convenience sampling to this study.

Application Tools

The information collected through the questionnaire was analyzed using chi-square test and the Ranking method was applied.

7. Data Analysis and Interpretation

In this section an attempt is made to analysis the relationship between customer perception and demographic background like age, marital status, educational qualification, occupation and their level of attitude by using chi-square test. If the calculated value is greater than the table value at a particular confidence level (0.05) levels in the null hypothesis will be rejected. If the calculated value is less than the table value at a particular confidence level (0.05levels) the null hypothesis is accepted.

**TABLE-1
AGE WISE CLASSIFICATION**

Age / Level of Attitude	High	Medium	Low	Total
Below 25	15	6	4	25
25-35	10	5	2	15
35-40	6	4	2	12
Above 40	5	2	1	8
Total	36	15	9	60

Source : Primary data

Since the calculated value 12.59 is more than table value 5.991 at 5% level significance the hypothesis rejected. Hence it is concluded that there is significant relationships between age and the level of attitude of the customer perception on E-Banking services.

**TABLE -2
MARITAL STATUS**

Marital status / Level of Attitude	High	Medium	Low	Total
Married	20	9	5	34
Un Married	16	6	4	26
Total	36	15	9	60

Source : Primary data

Since the calculated value 15.83 is more than table value 5.991 at 5% level of significance the hypothesis rejected. Hence it is concluded that there is significant relationship between Marital status and the level of perception of customers.

**TABLE -3
EDUCATIONAL QUALIFICATION**

Educational Qualification / Level of Attitude	High	Medium	Low	Total
Hr.Sec	11	4	2	17
Graduate	15	6	3	24
Diploma	7	3	2	12

Others	3	2	2	7
Total	36	15	9	60

Source : Primary data

Since the calculated value 1.764 is less than table value 12.592 at 5% level of significance the hypothesis accepted. Hence it is concluded that there is no significant relationship between the Educational Qualification and the level of attitude of the customer perception on E-banking .

**TABLE -4
OCCUPATION**

occupation / Level of Attitude	High	Medium	Low	Total
Government employee	17	7	4	18
Private sector	14	4	2	24
Self employee	2	2	2	11
Student	3	2	1	7
Total	36	15	9	60

Source : Primary data

Since the calculated value 13.64 is more than table value 12.592 at 5% level of significance the hypothesis is rejected. Hence it is concluded that there significant relationship between the occupation and the level of attitude of the customer perception on e-banking.

**TABLE-5
RANK THE PROBLEM OF ELECTRONIC BANKING**

PROBLEM	No. of Respondents				Total	Rank
	I	II	III	IV		
Over all difficulty	15	25	10	10	165	I
Lack of assistance	11	11	16	22	131	IV
Securing concern	14	12	14	20	140	III
Dependent on internet service	20	12	20	8	164	II
Total	60	60	60	60	600	

Source : Primary Data.

Ranking the problem of E-banking service is overall difficult to use online banking has occupied 1st Rank, lack of assistance have occupied the 4th rank, securing concerns have occupied 3rd rank, dependent on internet service have occupied 2nd rank.

8. Findings

- Most of the respondents (55%) were from the age group of 25 years. There is significant relationship between age and the level of attitude of the customer perception on E-Banking services.
- Most of the respondents (57%) were married. There is significant relationship between Marital status and the

level of perception of customers towards E-banking services

- Majority of the respondents are graduate, there is no significant relationship between the Educational Qualification and the level of attitude of the customer perception on E-banking .
- 30% of the respondents are private employee and 27% of the respondents are self employee. There is significant relationship between the occupation and the level of attitude of the customer perception on e-banking.
- Ranking the problem of E-banking service is overall difficult to use online banking has occupied 1st Rank, dependent on internet service have occupied 2nd rank.

9. Conclusion

Internet banking is on the rise. When viewed as another channel, its benefits are modest. However, when integrated with other channels, internet banking becomes a powerful tool for improving consumer satisfaction and increasing cross-selling opportunities. It is identified that “time saving and less cost tend to influence the bank customers’ “intention to continue using this internet banking site in the future” whereas “providing accurate, relevant and up to date information”, “flexibility and easy accessibility with convenience” tend to influence the customer strongly recommend to others to use e-banking in future.

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