



CUSTOMER PERCEPTION TOWARDS E-BANKING SERVICES: A CASE STUDY

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Introduction

The concept of E-BANKING has been simultaneously evolving with the development of World Wide Web. Programmers working on banking data bases came up with ideas for online banking transactions, sometime during the 1980 s. the creative processes of development of these services were probably sparked off after many companies started the concept of online shopping. The online shopping promoted the use of credit cards through internet. Many banking organisations had already started creating data ware housing facilities to ease their working staffs. The developments of these databases were widely used during the development of ATM's.

Sometime in 1980s, banking and finance organisations in Europe and united states started suggestive researches and programming experiments on the concept of 'home banking'. Initially in the 80s when computers and internet were not so well-developed. 'Home banking' basically made the use of fax machines and telephones to facilitate their customers. The widespread of internet and programming facilities created further opportunities for development of home banking.

In 1983, the Nottingham building society, commonly abbreviated and referred to as the NBS, launched the first E-BANKING service in United Kingdom. This service formed the basis for most of the E-BANKING facilities that followed. This facility was not very well-developed and restricted the number of transactions and functions that account holders could execute. The facility introduced by Nottingham building society is said to have been derived from a system known as Prestel, which is deployed by the postal service department of United Kingdom.

Advantages

It will allow you to pay your bills and make transactions anytime during the day and the week. The bank will never close because you can access it through your laptops or computer. So, no matter in which country you are anywhere in the world, you can go online and handle your finances.

Secondly, online banking is very fast, effective and efficient. Over that internet, you can make transactions that are typically executed and performed at a much faster pace than at ATM's. These services also give you the option of handling several different bank accounts from one site itself. Most online banking sites are compatible with programs like Microsoft money and quicken, which makes management of assets more effective.

Benefits From E-Banking

1. E-BANKING provides 24-hour banking facility; it helps to access, our account anytime, and can now skip the long queues and the endless wait to get things done in a bank.
2. It facilitate to access our account from anywhere by just logging into the bank's site and entering your Id and Password. And also we can check our account information and perform transactions from anywhere via a smartphone, laptop, or any other Internet-accessible device.
3. We can apply online for a majority of the services such as loans, credit cards, savings accounts, and mortgages. Also, insurance products can be bought by using E-BANKING. Some banks provide online portfolio management services. Stocks, bonds, and other investments can be managed with online banking at your convenience, independent of a financial intermediary like a stockbroker.
4. Booking facility also available for our travel tickets through online banking has become a widely used service by customers.
5. It helps to pay our utility bills like Electricity, Telephone, and Satellite TV. And also make insurance payments over the net; we can even recharge your mobile through online banking.

Facilities of E-Banking

1. Register the new user.
2. Online A/c opening.
3. Transferring money from one user to another .
4. Balance enquiry.
5. View the transactions in the between dates.
6. Request the cheque book.



7. Apply for loans.
8. Link your aadhar number & gas details for receiving subsidies.

Code of Conduct Online Transactions Safely

1. when we use banking transactions through online it is better to avoid public terminals like internet cafes.
2. When we use wireless connection for online transactions, it is much higher- make sure and aware of the security of the connection.
3. Use spyware and anti-virus programs are updated and it is advisable to perform regular system scans.
4. Never access a banking site through a link. Instead, type out the address into the browser bar or you could also save the address as one of your 'favourites'.
5. Never open any other web sites when you are logged into the website make sure that there is only one window open.
6. Choose your user ID and password carefully – it shouldn't be easy for others to guess (like your name!) and make sure you change on a regular basis.
7. Update computer software regularly.
8. Check for the padlock (that is an indication of a secure website) on the lower right hand side of the browser window.
9. Once you are done with your E-BANKING, make sure you log out and close the browser window.

Review of The Literature

Convenience way of operating banking transactions: Online banking is a highly profitable channel for financial institutions. It provides customers convenience and flexibility and can be provided at a lower cost than traditional branch banking (Williamson, 2006). The convenience of online banking is helping people gain greater control of their finances and contributing to changing patterns in cash withdrawal and day to day money management. (Beer, 2006). Jun and cai (2001) identified one of the very important service quality dimensions of i-banking service quality is reliability. The online banking environment has grown tremendously over the past several years and will continue to grow as financial institutions continue to strive to allow customers to complete money transfers, pay bills, and access critical information online. During this same time, online banking has been plagued by Internet criminals and fraudsters attempting to steal customer information. Phishing, pharming, and other types of attacks have become well known and are widely used as a means for fraudsters to obtain information from customers and access online banking accounts. As a result, authenticating customers logging onto their online banking service has become a crucial concern of financial institutions (Gregory D. Williamson, 2006). The most popular online transaction through internet banking is funds transfer/bill payment (Beer, 2006). Of the twenty-two million users in US, twenty percent or 4.6 million people regularly used online bill payment services offered by the top ten financial institutions. This report also highlighted that the usage of online bill payment services increased by thirty-seven percent at the end of the first quarter 2004 (Strasburg, 2005).

Objectives of The Study

1. To Study the Concept of E Banking.
2. To know the customer's perception towards E services provided by various banks in India.
3. To offer suitable suggestions for the growth and development of the E banking services in India.

Data Collecton

1. For the purpose of the study necessary data has been collected from the primary and secondary sources. The primary data has been collected from administering a structured. Questionnaire among the various bank customers has collected the data pertaining to the research and survey.
2. The secondary data is obtained from the journals, magazines, annual reports of the banks and different published documents and the website of the bank.

Data Analysis

When we collected data from the respondents with a structured questionnaire about the usage patterns of the E-banking users they are responded as follows:

Parameter					Total
Age group	20-30 45 (45%)	30-40 25 (25%)	40-50 13 (13%)	50 above 17 (17%)	100 (100 %)
Preferred Banking Channel	ATM 37 (37%)	Branch banking 24 (24%)	Internet Banking 18 (18%)	Mobile banking 21 (21%)	100 (100 %)
Modes of Usage of all these features offered by Banks	Bill Payments 65	Money Transactions 74	Online Purchasing 62	Others 54	
Advanced Technology	Offered by Public Banks 64 (64%)		Offered by Private Banks 36 (36%)		100 (100 %)
Easy to E Banking Accessibility	Public Banks 58(58%)		Private Banks 42 (42%)		100 (100 %)
Problems while accessing E Banking	Yes (Occurred) 47		No (Not Occurred) 53		100 (100 %)

Source: Field Survey.

1. Among the 100 respondents, majority of the respondents were belongs to Age group 20-30, with 45 percent, age group 30-40 were 25 percent, around 70 percent of the respondents were between 20 – 40.
2. The study revealed that the majority of the respondents 37 per cent are preferred to use their banking transactions through ATMs i.e.24 per cent. remaining of them are opted to do transaction through branch, only 21 per cent of them are stated that they are using Mobile banking and only 18 per cent of the respondents are opted Internet banking for their banking transactions.
3. The above table reveals that the E banking customers were using e banking services majorly for Money transfers and online purchases and almost all of the respondents were engaged with internet banking with various purposes i.e. majorly for Govt. services etc.
4. When a question asked to the respondents about the adoption, implementation and offering of the latest advanced technologies to their customers, majority of the respondents 64 per cent of them state that the Public sector banks are most actively offering advanced technologies to their customers when compare to Private banks.
5. The Process of switch into E banking accessibility offering by Public and private banks, 58 per cent of the respondents were said 'Easy' than the private banks and remaining 42 per cent of the respondents were stated private banks.
6. 53 per cent of the e banking customers were experienced problems while using the E banking services and remaining 47 per cent of them were not experienced any problems.

Findings And Conclusions

1. People are having much awareness and trust on SBI.
2. SBI Bank having more customers. So, the employees in SBI not able to satisfy the customers.
3. The technological product of SBI Bank doesn't have much promotion.
4. The alternative channels of the SBI more helpful to the customers.
5. Most of the customers ready to use the technical services provided by the Bank.
6. Majority of the respondents feel that staff members should be provided training on how to use and access the e banking and should be trained about the features of INB and its benefits to guide to the customers should also be trained about INB facility.
7. Lack of awareness about the INB among the staff members has been the biggest stumbling block in popularizing this product. When interacting with the customers in branch while collecting feedback, it was observed that some of employees in the branches were happily surprised to know the variety of facilities offered through INB.
8. The employees need to be made aware of the facilities and they should be forced to use almost all the facilities offered through INB at least once.
9. We find that the awareness about INB is low among the customers as well. Similarly, live demo on INB should be held regularly at the branches for the customers.
10. Keeping in view the low number of users and low awareness about INB, Majority of the customers feel INB needs proper marketing efforts by the branches.



11. All the new customers should be provided with the E-BANKING ID and password with view rights along with the welcome kit. They should also be instructed to destroy the ID and password if they feel that they don't need facility. Many of the customers who are otherwise not willing to use it may once like to use this out of curiosity and may end up being regular user of INB. Timely support to the customers for their problems makes the customers loyal to the bank. Bank should provide 24x7 customer service to the INB users on toll free number. This would definitely encourage the customers to opt this facility.

Suggestions

1. Bank has to provide the services to the customers.
2. Employees working in SBI not aware about the technical products need to conduct some workshops to employees to give awareness in all products.
3. For adding the beneficiary in E-BANKING taking more time, reducing the time for this is useful to the customers.
4. Providing the additional security for the transactions is helpful to the customers.
5. When a bank offers mobile payments service, it may be ensured that customers having mobile phones of any network operator should be in a position to request for service. Restriction, if any, to the customers of particular mobile operator(s) may be only during the pilot phase.
6. Regarding inter- operability between banks and between their mobile payments service providers, it is recommended that banks adopt the message formats being developed by Mobile Payments Forum of India.
7. In cases where the customers file a complaint with the bank disputing a transaction, it would be the responsibility of the service providing bank to address the customer grievance. Banks should formulate charge – back procedures for addressing such customer grievances.

Branches should be given budget for INB also and that budget should be followed up to ensure its achievement. It should also be given same importance as the budget development is being given.

1. Customers should be charged for doing transaction at the branches. this is being done by most of the private banks.
2. EZ trade should be made available to all the circles.
3. Online generation of the password should be made available to the customers. This facility is available in online banking sites of almost all the banks.
4. Onlinesbi.com should be made in vernacular language.
5. Bank can also provide loan on easy terms for the purchase of PCs and internet.
6. More billers should be added to the online SBI.

E-BANKING provides greater reach to customers. Feedback can be obtained easily as internet is virtual in nature. Customer loyalty can be gain. Personal attention can be given by bank to customer also quality service can be served. Bank should know that No system perfect, however a system of such a type will need to be very secure. This is a system which holds account details and customer's wealth. If such a system was not reliable, the SBI would face serious laws and would lose business.

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