

A STUDY ON E- BANKING SERVICES IN THE PUBLIC SECTOR UNIT BANKS IN GUNTUR

Dr. K. Lalitha

Professor & Principal, B.H.H Degree College for Women. Guntur.

Mr. V. Chakravarti

Research Scholar

S. Deepthi

Assistant Professor, Dr. KVSRCWE, College, Kurnool.

Introduction

By the mid of 20th century, human had achieved a mastery of technology. The advancement of technology has rooted the introduction and use of electrical devices for the smooth functioning of banking business called E- banking. Electronic banking is a system where banking services are provided electronically to Bank customers and it has created a new path in doing the banking business. Electronic banking, popularly known as e-banking, is a service provided by the bankers, that allows customers to carry out all their banking transactions like, financial transactions, deposits, withdrawals, paying bills and to access the his/her/its account information, through the use of electronic channels like Computers, Mobiles, ATMs, Television and other Electronic devices.

E-banking, is also known as internet banking or virtual banking or online banking or web banking, provides, convenience their customers in accessing banking facilities from the comfort of their home or office without having to physically visit their bank. It also known as electronic funds transfer (EFT), is simply the use of electronic means to transfer funds directly from one account to another, rather than by check or cash. Electronic banking can also be defined as a variety of the popular services provided by banks.

1. Automated Teller Machines,
2. Credit Cards,
3. Debit Cards,
4. Smart Cards,
5. Electronic Funds Transfer (EFT) System,
6. Cheque's Truncation Payment System,
7. Mobile Banking,
8. Internet Banking,
9. Telephone Banking, etc

Significance of the Study

The public sector banks introduce various e-banking facilities to their customers. But most of the customers are not having much knowledge to apply the banking services in the banking activities. So, in-order to identify the problems facing by the E-banking technology emphasized the research.

Objectives of the Study

1. To study and analyze the problems faced by the customers while using the E- banking services provided by the public sector banks at Guntur district.
2. To offer valuable suggestions to the service providers and to the customers to improve the e-banking services in the public sector banks in Guntur district.

Research Design

The research design is constructed to pool up the data from two sources.

Primary Source

This study is mainly based on the primary data. The well-structured questionnaire issued to the customers regarding the problems in the e-banking services provided by the public sector banks in Guntur district. For this purpose, totally 400 respondents were selected for the study.

Secondary Data

Few data was collected from RBI- Bulletins, journals, etc.

Statistical Tools Used

Percentage analysis is used as a tool to analyze the problems of e-banking services.

Problems of E-Banking Services

This chapter presents the analysis and interpretation regarding the problems of e-banking services to the customers in the public sector banks on the sample of 400 respondents through the structured questionnaire. The first part of this chapter presents the profile of the respondents and remaining part of this chapter presents problems of e-banking services to the customers in the public sector banks. Percentage analysis is the statistical tool that has been used to identify the problems of e-banking services to the customers in the public sector banks.

Analysis and Interpretation of Data**Table No 1: Age of the Respondents**

Age	Frequency	Percentage
Below 25 years	96	24
25-42 years	192	48
Above 42 years	112	28
Total	400	100

The table clearly explains that, out of 400 respondents 96 respondents (24%) are in the age group of below 25 years, 192 respondents (48%) are in the age group of 25 – 42 years, and 112 respondents (28%) are in the age group of above 40 years. Thus, it reveals that, majority of the respondents are in the age group of 25-40 years.

Table no 2: Gender of the Respondents

Gender	Frequency	Percentage
Male	232	58
Female	168	42
Total	400	100

From the table it is clear that 232 respondents (58%) are male and 168 respondents (42%) are female. It shows that majority of the respondents are male.

Table no 3: Sector wise Bank account Holdings

Bank	Frequency	Percentage
PSU	360	90
Others	40	10
Total	400	100

The table reveals that, out of 400 respondents, 90% of the respondents are having an account in the public sector banks. And 10% of them are not having account in the PSU's. It inferred that majority of the respondents are having an account with the PSU's.

Table no 4: Name of the Public Sector Bank

Name of the bank	Frequency	Percentage
SBI	140	35
Andhra Bank	100	25
Indian overseas bank	40	10
Bank of Baroda	40	10
Canara bank	40	10
Other	40	10
Total	400	100

The above table makes clear that, 35% of them are having an account in SBI, 25% of the respondents are having an account in Andhra bank, 10% of the respondents are having an account in the bank of Baroda. 10% of the respondents are having an account in Canara bank, 10% of the respondents are having an account in Indian Overseas bank and remaining 10% of the respondents are having an account in other banks. Thus, It is concluded that majority of the respondents are having an account in public sector unit banks and out of which most of them are having an account in State bank of India.

Table no 5: Purpose of opening an account

Purpose	Frequency	Percentage
Commercial	260	65
Self	140	35
Total	400	100

The above table shows 65% of the respondents are maintaining the accounts for commercial purpose, and 35% of them are maintaining for self-purpose. Thus, it reveals the role of banking in business as well as personal life.

Table no 6: Impact of literacy rate on Awareness of e-banking services

Literacy rate	frequency	Percentage
Literates	340	85
Illiterates	60	15
Total	400	100

The above table explains that, 90% of the respondents are literates, and 10% of them are illiterates. Thus, it can interpret that, the literacy rate of the respondents shows a great impact on the awareness of e-banking services and its operations.

Table no 7: Possible reasons why E-banking services have not been adopted by many customers

Sr No	Statement of problem	Total	Strongly agree	%	Agree	%	Neutral	%	Dis agree	%	Strongly disagree	%
i)	Security Concerns	400	20	5	24	6	172	43	104	26	80	20
ii)	Lack of awareness of	400	20	5	60	15	120	30	152	38	48	12

	E- banking services											
iii)	No knowledge of how to use e-banking services	400	20	5	40	10	48	12	172	43	120	30
iv)	They do not have privacy of customer's information	400	32	8	60	15	180	45	72	18	56	14
v)	Customer's preference towards traditional banking	400	20	5	32	8	48	12	220	55	80	20
vi)	Bankers providing few E-banking services	400	48	12	84	21	196	49	52	13	20	5
vii)	Banks charges high fees for E-banking services	400	8	2	24	6	76	19	220	55	72	18

The analytical part of table -7 illustrates several problems faced by the customers while availing e-banking services. It reveals that, a significant percentage of respondents have given a neutral opinion of the all above stated problems (i.e., Statement No. i), ii), iv), v), vi) and vii).). And for the reason of no knowledge of how to use e-banking services, a significant percentage of them were disagreed.

Findings of the Study

1. The study revealed that Majority of the respondents are in the age group of 25-42 years, out of which most of them (58%) are male.
2. Majority of the respondents 90% are having an account in the public sector bank out of them many of the respondents 35% are having an account in state bank of India.
3. Majority of the respondents are using e-banking services, to get quick updates of the bank account information, to reduce transaction costs, time, energy as a reason for adopting e-service technology by most of the respondents both for Commercial and Self operations.
4. Majority of the respondents are having awareness regarding the e-service technology provided by the public sector banks and the literacy rate shows a great impact on it.
5. Majority of the respondents have agreed that, they are facing some different technical problems while availing e-banking services provided by their respective banks. However, except in a very few cases most of the respondents are satisfied with the overall e-banking services provided by their respective public sector banks.

Suggestions

After finding the facts, it is suggestible that,

1. Each customer must take efforts to adopt & to update technological advancements in their banking transactions both for commercial and self-account maintenance, as this would do away with traditional transactions methods and pave way higher achievements.
2. It is observed that few of the respondents are not ready to believe the e-banking activities. It may be caused because of the lack of awareness of the available e-banking services and also as a result of literacy rate of the respondents. If they are believe the e-banking activities then it will increase the banking transactions and also improve e-banking technology.
3. This research finds that compatibility, perceived usefulness, perceived ease of use, trust and computer self-efficiency was critical factors for salesperson's behavioral intentions to use the e-CRM information system. Computer self-efficiency (CSE) has a strong effect on the behavioral intention to use the e-service system.
4. It is advisable that, the customers must interact with the bankers frequently about the latest technology adopted by the banking sector. The customers must use all the available e-banking services while perform the banking transaction. For this the bankers have to conduct a number of awareness programs to inculcate much knowledge in several grounds of the updated e-banking technology.

Conclusion

A well-functioning e-banking network is dependent on availability of a back bone network connecting the whole country; reliable and secure information infrastructure including telecommunication infrastructure; ICT penetration in the banking sector; skilled operational personnel and legal and regulatory framework. The government, reserve bank and scheduled banks are related to these issues. Therefore, both individual and joint efforts are needs to overcome the constraints in promoting e-banking in the country.

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