CUSTOMER PERCEPTION ABOUT E-BANKING IN THANJAVUR CITY

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Abstract

Internet Banking refers to the provision of information or services by a bank to its customers, via a computer, television, telephone, or mobile phone. It has emerged as a strategic resource for attaining efficiency, control operations, productivity, and profitability. It has changed the traditional way of banking transactions. This paper analyses the customers of Indian Bank in Namakkal town. The survey concludes that the Internet Banking leads the customers to a benefit at the large extent.

Key Words: Internet Banking, convenience, 24 hour service

E-banking (Internet banking or on line banking) refers to the deployment of banking services and products over electronic and communication networks directly to customers. The term electronic banking can be described in many ways. In a very simple form, it can mean the provision of information or services by a bank to its customers, via a computer, television, telephone, or mobile phone. It has emerged as a strategic resource for attaining efficiency, control operations, productivity, and profitability. It has changed the traditional way of banking transactions. Through the e-banking customer do not visit to the bank office in order to carry out banking transaction. For instance, customers are using automated teller machines (ATM) in place of cashier tellers, and credit cards and electronic cash in place of bank transactions (Alagheband, Parisa, 2006). It also allows customers to submit their applications for different services make queries on their account balances and submit instructions to the bank and also electronically transfer funds.
to their accounts, pay bill, and conduct other banking transaction online. It relies greatly on information and communication technology (ICT) to attain its promise for 24 hours availability and faster delivery of financial services.

**Importance of Internet Banking**

The E-banking is now a global phenomenon. It is a precious and influential tool for heavy development, supporting growth, promoting innovation and enhancing competitiveness. A physically powerful banking industry is an essential in every country and can have a major affect in supporting economic development through competent financial services. It has had huge impact on the banking industry. Banks require developing creative solutions of how to make full use of the new technology and how to provide their customers with high online service quality. When lacking face to face interaction banks must increase the experienced online service quality among customers in order to attain and sustain competitive advantages and customer relationships.

**Statement of the Problem**

The E-Banking is a fast growing sector allover the world. It is considered as the most convenience and advantageous banking practice to all both the parties i.e., bankers and the customers. At the same time, many possibilities exist in this line for fraud, misleading and misuse. This situation makes the E-Banking as the risky one.

**Objectives of the Study**

1. To study the perception of the customers of Indian Bank in Thanajvur city, Tamil Nadu
2. To measure the level of satisfaction of the customers

**Research Methodology**

This is a small survey conducted in Thanjavur city, Tamil Nadu on limited scale. Indian Bank customers were contacted in the bank premises and questionnaire was distributed among them. 200 customers were selected at random and their responses were analysed. Apart from percentage, chi square test has been used in this study.

**Demography of the samples**

The sample consumers consisting of the following features: Gender: [male – 115, female – 85]. Age: [Below 20 40 consumers, 20-30 – 77 consumers, 30-40 – 46 consumers, 40-50 – 21 consumers and above 50 – 16 consumers].
In respect of the awareness of the customers towards the E-banking facilities, self knowledge is the source to majority customers (77%) and it implies that the customers have knowledge through their formal education and self interest. 21% of the customers have got the awareness through their friends.

Form the above table it is clear that the convenience is the attractive factor that has majority of the customers (43 %). At the same time, 24 hour service is another important factor (supported by 30 % customers). Time saving is mentioned as the attractive factor to 13% customers. Speed of transactions, safety and less expensive are the other factors.

**Testing the Hypotheses**

**Test – 1 Age of the Customers and Overall Satisfaction on E- Banking Services**

**Null hypothesis (H0)**
There is no significant relationship between age of the customers and overall satisfaction towards E-Banking Services.
Table No. 3
Age and overall satisfaction - cross tabulation

<table>
<thead>
<tr>
<th>Respondents opinion about age</th>
<th>Satisfactory Level on towards Internet Banking Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Highly Satisfied</td>
<td>Satisfied</td>
</tr>
<tr>
<td>Below-20</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>20-30</td>
<td>35</td>
<td>21</td>
</tr>
<tr>
<td>30-40</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>40-50</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Above-50</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>62</td>
</tr>
</tbody>
</table>

Chi-square test

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>18.738</td>
<td>16</td>
<td>.282</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>19.418</td>
<td>16</td>
<td>.248</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.319</td>
<td>1</td>
<td>.572</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Degrees of Freedom = 16
Chi Square Value = 18.738
Table Value = 19.418
At 5% level of significant.
Since the calculated value is less than the table value, the null hypothesis is accepted.
Hence there is no significant relationship between the age and towards overall satisfaction towards the E-Banking Services

Test – 2. Gender of the Customers and Overall Satisfaction towards E-Banking Services

Null hypothesis (H0)
There is no significant difference between gender of the customers and overall satisfaction towards the E-Banking Services
### Table No. 4

**Gender and overall Satisfaction- cross tabulation**

<table>
<thead>
<tr>
<th>Gender of the customers</th>
<th>Overall Satisfaction on E-Banking Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Highly Satisfied</td>
<td>Satisfied</td>
</tr>
<tr>
<td>Male</td>
<td>38</td>
<td>33</td>
</tr>
<tr>
<td>Female</td>
<td>30</td>
<td>26</td>
</tr>
<tr>
<td>Total</td>
<td>68</td>
<td>59</td>
</tr>
</tbody>
</table>

**Chi-square test**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>4.160</td>
<td>4</td>
<td>.385</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>4.271</td>
<td>4</td>
<td>.371</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.806</td>
<td>1</td>
<td>.369</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Degrees of Freedom = 4
Chi Square Value = 4.160
Table Value = 4.271
At 5% level of significant.
Hence is it understood that the calculated value is less than the tabular value, there for null hypothesis (H0) is accepted.
There is no significant difference between gender of the customers and overall satisfaction towards the E-Banking Services.

**Findings**

1. In respect of the awareness of the customers towards the E-Banking facilities, self knowledge is the source to majority customers (77%) and it implies that the customers have knowledge through their formal education and self interest.
2. Convenience is the attractive factor that has majority of the customers (43%)
3. There is no significant relationship between the age and overall satisfaction towards E-Banking Services
4. There is no significant difference between gender of the customers and overall satisfaction towards E-Banking Services.

**Conclusion**

So, the present paper concludes that the E-Banking leads the customers to a benefit at the large extent. And at the same time, it offers the maximum convenience to them in such a way that they are able to transact the banking transactions at any time. The attraction arises to the customers from convenience, 24 hour service and speed of transactions.
References


