

CONSUMER KNOWINGNESS AND USAGE OF E-BANKING SERVICES WITH SPECIAL REFERENCE TO THOOTHUKUDI DISTRICT

Manjini .T

Assistant Professor, MBA, Department of Business Administration,
Bharath Institute of Science and Technology,
Selaiyur, Chennai, Tamil Nadu 600 073,
Bharath Institute of Higher Education and Research

ABSTRACT

E-banking is the most important technology in the developed world in the banking sectors, and is being implemented by many banks in developing economies around the globe. The present time of globalization and liberalization has made in the banking industry very competitive by providing various services to the customers. As the level of consumer awareness increases, it leads to increase in customer preference. The present study to analyzes the customer awareness and usage level towards E-banking services. Indian banking industry has witnessed a high developments due to sweeping changes that are taking place in the Information technology. In today's scenario most of banks offer services through electronically. It is called E-banking. E-banking is creating lot of changes in the banking industry. Though all banking sector are providing e-banking, the main study is whether the customers are aware of all the e-banking services offered by their banks. So, it becomes necessary to study the customer awareness and usage level towards e-banking services. The present study is a modest attempt made to know customer awareness on e-banking services provided by the banks in Thoothukudi District. The major tool used for the data collection is questionnaire. For the purpose of the study, required primary data have also been collected along with secondary data. A sample size of 104 respondents has been taken for the study. The data was analysed with the help of statistical tools such as Percentage analysis, and Simple Ranking method have been adopted used to extract the output. The main reason for this study, benefits it can provide, both to the banks and to customers of banking sectors. E-banking can provide a better choice in terms of the channels they can use to conduct their business and convenience in banking industry.

Keywords: E - banking, Customer awareness of E - banking services, E-Banking Services, Customer, Bankers

1. INTRODUCTION

Electronic banking, 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 cheque or cash. E-Banking refers to the banking services provided by the banks through the electronic. Some of these services include paying of bills, funds transfer, viewing account statement, etc.

Now a day's information technology plays a vital role in banking sector. Day by day increasing change in technology world, it leads to improve e-banking services of various banks. It provides various advantages to customer of various banks. Now-a-days people are educated more than olden days, today human lives becomes machine oriented and they don't have enough time to visit bank branch than ever before.

E-Banking means providing banking products and services through electronic delivery channels like ATM, Internet banking, Telephone banking and other electronic delivery channels. Automated Teller Machine (ATM) is electronic computerised telecommunication device that allows a customer to directly use a secured method of communication to access their bank accounts or make cash withdrawals and other services. Internet banking highly useful to the customer one who have computer with internet connection, they need not visit bank branch for their business transactions. Simply they can transact anywhere, anytime if they have internet connection. By dialing the telebanking number customer can get various facilities like cheque book request, balance inquiry etc. State bank of India introduced coin vending machine, kiosk marketing machine for their customers to get their services quickly without delay.

2. STATEMENT OF THE PROBLEM

Today all the banking sectors are providing lot of services to their customers. Although the e-banking services are offered by all the banks, it is a necessity to study whether all the banking customers are aware of the e-banking services. To get the highest satisfaction on the e-banking channels, a customer should have complete knowledge and awareness on various products and services offered by the bank and bankers should have the ability to identify the type of services needed by a customer and render the same to his satisfaction. The researcher has attempted to analyse the customer's awareness and usage level towards the e-banking services offered by the banking sectors in Thoothukudi City.

CONSUMER AWARENESS

Consumer awareness is a marketing term. It means that consumers note or are aware of products or services, its characteristics and the other marketing P's (place to buy, price, and promotion). Usually commercials and ads increase consumer awareness, as well as "word of mouth" (comment from someone you know about a product or service).

Need: we need it so we will not be misled by producers, it explains if what we buy is worth to our money and not harmful to us and to environment.

Role of producer: Producers are the ones who are manufacturing products or delivering services. Their responsibility is to educate customers about their product/service. When they are providing services they should carry out it with due skill & care.

In this age of capitalism and globalization, the main objective of each bank is to maximize his profit. In each and every possible way the banker are trying to increase profit of their banks. Therefore, in fulfillment of their aim they forget the interests of consumer s and start exploiting them for example –overcharging, under weighing, selling of adulterated and poor quality goods, misleading the consumers by giving false advertisement etc. Thus in order to save himself from being cheated, it is necessary for a consumer to be aware. In this way, consumer awareness means creating awareness of a consumer towards his rights and duties.

E-BANKING IN INDIA

In India, since 1997, when the ICICI Bank first offered internet banking services, today, most new-generation banks offer the same to their customers. In fact, all major banks provide e-banking services to their customers.

POPULAR SERVICES UNDER E-BANKING IN INDIA

- ATMs (Automated Teller Machines)
- Telephone Banking
- Electronic Clearing Cards
- Smart Cards
- EFT (Electronic Funds Transfer) System
- ECS (Electronic Clearing Services)
- Mobile Banking
- Internet Banking
- Telebanking
- Door-step Banking

3. REVIEW OF LITERATURE

- **Kartikey Koti (2016)** in his study entitled on “Customer awareness & adaptability towards internet banking: A study of Indian banking industry” the paper highlights on their awareness and period of knowing internet banking. It further analysed banking services online used by customer and their accessibility towards the practices. Reasons were found which encouraged them for adopting these services. It is suggested to the customer to have strong internet connectivity, awareness sessions can be conducted to make more familiar of using online services.
- **Nagaraj R and Jegatheeswari P (2016)** in their study analysed “ A Study on the Customer Awareness of E- Banking Services in Madurai City” in this study suggested that Banks should try to win customers confidence by providing adequate security to transaction. If the problems comes in the banks should ensure that at no time should service case as a result of network problem.
- **Amsaveni T and Kanagarathinam M(2017)** in their study focused that “A Study On Consumer Awareness Of E-Banking Services In Public Sector Banks In Coimbatore District” In this study found that the awareness level of internet banking of the sample respondents on various factors of e-banking services offered at free of cost secured the highest score of 1718. In this study concluded that E-banking services and keeping easily availability of these services all strata of public which needs lot of training and awareness programmes both to existing employees and customers.

4. OBJECTIVES OF THE STUDY

Study has been conducted with following objectives:

- To study the demographic background of the respondents
- To analyze the customer's awareness regarding E-Banking services
- To study the most preferred E-Banking service offered by banks
- To give valuable suggestions to improve awareness and satisfaction about E-banking services

RESEARCH METHODOLOGY

DATA SOURCE

Primary data and secondary data has been used for the study. Primary data was collected by means of questionnaire and analysis has been made on the basis of response received from the customer's. And Secondary Data was collected from the existing data sources, Catalogues, Internet, Magazines and Newspapers.

TOOLS AND TECHNIQUES

The data collected from the primary source were analysed with the help of various statistical measures such as simple percentage analysis, averages, Simple ranking were used.

SAMPLE DESIGN

A sample size of 104 respondents has been taken for the study by adopting convenience sampling techniques. The study has been undertaken only in Thoothukudi City.

RESULTS AND DISCUSSION

The study is related to awareness and usage of E-banking. In this chapter, the captured data from the qualitative and quantitative research is presented, analysed, described and interpreted in a systematic manner as the next step of the study process.

TABLE NO 1
DEMOGRAPHIC PROFILE OF THE RESPONDENTS

S. NO	VARIABLES	CATEGORY	NO. OF RESPONDENTS	PERCENTAGE
1	Age	Below 20 years	20	19
		21 - 30 Years	30	29
		31 – 40 Years	34	33
		Above 40 years	20	19
		Total	104	100
2	Educational Qualification	Primary	11	11
		Secondary School	18	17
		Higher Secondary	20	19
		Under graduate	23	22
		Post graduate	14	13
		Professional degree	18	17
		Total	104	100
3	Marital Status	Married	75	72
		Unmarried	29	28
		Total	104	100
4	Occupation	Self employment	21	20
		Govt. employee	23	22
		Private employee	28	27
		Others	32	31
		Total	104	100
5	Annual Income	Below Rs. 10,000	33	32
		Rs.10,000-Rs.20,000	48	46
		Above Rs.20,000	23	22
		Total	104	100

Source: Primary Data

From the above table 1 reveals that Majority 33 per cent of the respondents come under the age group of 31 – 40 years, 29 per cent of the respondents are under the age group of 21 – 30 years, 19 per cent of the respondents are below 20 years and 19 per cent of the respondents are above 40 years.

Majority 22 per cent of the respondents are completed under graduation, 19 percent of the respondents completed higher secondary, 17 per cent of the respondents educational qualification is secondary school and professional degree holders, 13 per cent of the respondents completed their post graduate degree and 11 per cent of the respondents are completed primary school level.

According to the marital status majority 72 per cent of the respondents are married and 28 per cent of the respondents are unmarried.

Majority 31 per cent of the respondent's occupation come under the other category such as coolie, farmer etc , 27 per cent of the respondents are private employees, 22 per cent of the respondents are government employees, 20 per cent of the respondents are self employed peoples.

Majority 46 per cent of the respondents comes under the income group of Rs. 10,000 to Rs.20,000, 32 per cent of the respondents are come under the income level of below Rs. 10,000 and 22 per cent of the respondents are come under the income group of above Rs. 20,000.

TABLE NO 2
CUSTOMER PREFERENCE OF E-BANKING SERVICES

S. NO	CUSTOMER PREFERENCE	MEAN VALUE	RANK
1.	Mobile Banking	79.4	I
2.	E-Cheques	65.8	II
3.	Credit /Debit cards	62.8	IV
4.	ATM	64.1	III
5.	Electronic fund transfer	51.4	V
6.	Internet Banking	44.4	VII
7.	SMS Banking	47.8	VI

Source: Computed data

The above table reveals that customer preference of e-banking services. Mobile Banking services got First rank preference of e-banking services. E-Cheques , ATM, Credit /Debit cards follows the second , third rank, fourth rank in e-banking services respectively. Electronic fund transfer, SMS Banking got fifth, sixth place respectively. Finally Internet Banking last rank in customer preference of e-banking services.

TABLE NO 3
REASON FOR USING E-BANKING SERVICES

S. NO	REASON	NO. OF RESPONDENTS	PERCENTAGE
1.	Convenience to use	25	24.03
2.	Time saving	33	31.73
3.	Money saving	27	25.96
4.	Others	19	18.26
	Total	104	100

Source: Primary data

The above table shows that out of 104 respondents, 31.73per cent of the respondents choose the E-banking services for Time savings, 25.96 percent of the respondents choose the E-banking services for Money saving, 24.03 per cent of the respondents choose the E-banking services are used Convenience to use and 18.26 of the respondents choose the E-banking services are used for Others reasons.

TABLE NO 4
AWARENESS OF THE RESPONDENTS TOWARDS E- BANKING

S. NO	AWARENESS	NO. OF RESPONDENTS	PERCENTAGE
1.	Through bank officials	16	15.38
2.	Advertisement in Print Media	15	14.42
3.	Television and Radio advertisements	21	20.92
4.	Online advertisements	13	12.5
5.	From your friends and relatives	22	21.15
6.	Others	17	16.34
	Total	104	100

Source: Primary data

From the above table 4 shows that 21.15 per cent of the respondents aware E -Banking through friends and relatives, 20.92 per cent of the respondent aware through Television and Radio advertisements, 16.34 per cent of the respondent aware through Others peoples, 15.38 per cent of the respondent aware through bank officials, 14.42per cent of the respondent aware through Advertisement in Print Media, 12.5 per cent of the respondent aware through Online advertisements.

5. SUGGESTIONS

- Much need to be done in the areas of creating awareness about the availability of electronic banking products and services, how they operate and their benefits. Banks should organize public exhibitions and talk shows and make products accessible to all customers.
- The bank should come forward with more meaningful advertisements and awareness campaigns to create awareness among customer's regarding e-banking services and to make e-banking popular among the entire age and income group.
- Banks should try to win customers confidence by providing adequate security to transaction. If the problems comes in the banks should ensure that at no time should service case as a result of network problem.
- The bank staff must know all the facilities of e-banking so they can say about the e-banking facilities to the customer properly, so the researcher suggest be properly trained regarding this scientific advancement.

6. CONCLUSION

Most of the respondents are aware of e-banking either fully or partially. E-banking are the most preferred choice followed by ATM, Internet banking, Mobile banking in terms of the frequency of usage for the benefits accrossing time savings come out to be the major benefit followed by easy processing, inexpensive, and easy fund transfer, bill payment etc. some of respondents are account holders of different banks, and they have been availing the e-banking facilities provided by the banks. In many advertisement can play a major role in making people aware of e-banking technologies, e-banking is useful and they will use it in future. So our country will get super power in the year 2020.

7. REFERENCES

- [1] Kartikey Koti (Aug 2016). International Journal of Humanities and Social Science Research:Volume 2(8) : Page No. 63-67.
- [2] Nagaraj.R and Jegatheeswari.P (Aug 2016). A Study on the Customer Awareness of E-Banking Services in Madurai City: International Journal of Scientific Development and Research: Volume 1(8) PP.219-234.
- [3] Amsaveni T and Kanagarathinam M(2017) A Study On Consumer Awareness Of E-Banking Services In Public Sector Banks In Coimbatore District: IJARIE Vol-3 (2) - PP.908-916.