



A STUDY ON CLIENT PERCEPTION OF DIGITALIZATION IN BANKING

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Abstract

The purpose of this study is to find out what is the basic utility and preference for E banking services provided by banks.

The study has been done in Chandigarh city comprising a sample size of 100. After the data collection, researcher has identified which commercial bank provides more quality services with regards to e-banking services to customers and also measured the satisfaction level of customers about internet banking website of banks.

The need of the study comes from the fact that, people are too much inclined towards E banking services now a days as it saves time and energy, at the same time there is another set of people who resist internet banking due to certain fears and lack of awareness.

Introduction

Now a day's information technology plays a vital role in banking sector. Day by day increasing change in technical know how, it leads to improve e-banking services of various banks. Traditional branch banking has taken a paradigm move towards services like kiosk marketing machine, coin vending machines, Mobile banking, banking through Apps etc.. It provides various advantages to customer of various banks. Now-a-days people are educated to a higher level as compared to some years ago.

E-Banking means providing banking products and services through electronic delivery channels like ATM, Internet banking, Telephone banking and other electronic delivery channels. SBI has over 4500 ATM centers in India approximately. Automated Teller Machine (ATM) is electronic computerized 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. Customers 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.

Meaning of an electronic banking

E-banking means conduct of banking operations through electronic means or devices, such as computers, telephones, mobile phones, ATM's etc. E-Banking means the conduct of banking operations (i.e., the provision of banking products and services) by bankers through electronic tools or devices

Feature of e-banking

1. E-Banking is essentially performance of banking operations through electronic means or tools
2. E-banking is provision of banking products and services by banks through the extensive use of information technology without direct recourse to the bank by customers.
3. Provision of round the clock (i.e., twenty-four hour) access to banking facilities is an essential feature of e-banking.
4. E-Banking is conduct of banking operations globally. In other words, e banking is anywhere banking

E-banking transactions

Through any type of transactions can be handled through e-banking. Generally, the following transactions are handled through e-banking Account enquiry, Fund transfer, Payment of bills i.e. water, telephone bills, etc., Online payment for transactions actually performed through internet, Request for issue of cheque book, draft, etc, Request for statement of accounts, Access to latest scheme of the bank and access to rates of interest and other service charges of the bank.

Objective of study

1. To find the consumer's preference towards e banking services
2. To know the consumers awareness towards e-banking services
3. To know the satisfaction level of customers towards e-banking services.



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Methodology

Sample size This study has a sample of 100 respondents, which is selected at random to know the E-Banking preference towards customers.

Tools for data collection: Primary data and secondary data have been used. Primary data were collected through a structured questionnaire and the secondary data were collected from the Books, Journals, Articles, Newspapers, Magazines and Websites. The primary data were collected was further analyzed by using various tools like Chi-Square test, Student T-Test and One way Anova

Analysis and interpretation

Demographics	No. of respondents	percentage
Sex:		
Male	45	45
Female	55	55
Age:		
21 to 30	59	59
31-40	16	16
41-50	13	13
51 and above	22	22
Educational Qualification:		
HSC	15	15
Under graduate	25	25
Post graduate	43	43
Professional	13	13
Diploma	04	04
Occupation:		
Private employee	36	36
Government employee	21	21
Self – Employed	21	21
Professional	22	22
Annual income:		
100001 – 200000	54	54
200001-300000	24	24
300001-400000	22	22

Name of the bank:		
State Bank of India	42	42
Indian Overseas Bank	26	26
ICICI	12	12
HDFC	20	20



Awareness of E Banking Services:

Opinion	No. of respondents (n=100)	Percentage
Yes	86	86
No	14	14
100		100

Majority of 86.67% of the respondents had awareness about E-banking Services

Customer expectations are met through E-Banking

Opinion	No. of respondents (n=100)	Percentage
Yes	63	63
No	37	37
100	100	

E-Banking service you think is more user friendly Opinion

	No. of respondents (n=100)	
Internet banking	40	40
Telephone banking	13	13
ATM	39	39
Mobile banking	08	08
100		

Majority of the customers think that ATM is more user friendly.

Trust the security of E-Banking services Opinion	No. of respondents (n=100)	
Completely	34	34
Somewhat	32	32
Dubious	16	16
Not at all	18	18
100	100	100

30% of the respondents completely trust the security provided while using E-Banking services

Chi-square test- association between age of the respondent and their aware about e-banking

Research hypothesis: There is a significant association between age of the respondents and their aware about E-banking services

Null hypothesis: There is no significant association between age of the respondents and their aware about E-banking services



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Age	aware about E-banking services			Statistical inference
	Yes (n=52)	No (n=8)	Total (n=60)	
21 to 30yrs	41(78.8%)	8(100%)	49(81.7%)	$\chi^2=2.072$ Df=3 .558>0.05
31 to 40yrs	6(11.5%)	0	6(10%)	Not Significant

Chi-square test- association between age of the respondent and their easy to maintain the banking transactions through e-banking services

Research hypothesis: There is a significant association between age of the respondents and their easy to maintain the baking transactions through e-banking services

Age	Easy to maintain the banking transactions through e-banking services					Statistical inference
	Disagree (n=2)	Neutral (n=8)	Agree (n=31)	Strongly agree (n=19)	Total (n=60)	
21 to 30yrs	2(100%)	4(50%)	27(87.1%)	16(84.2%)	49(81.7%)	$\chi^2=10.049$ Df=9
31 to 40yrs	0	2(25%)	1(3.2%)	3(15.8%)	6(10%)	
41 to 50yrs	0	1(12.5%)	2(6.5%)	0	3(5%)	.346>0.05
51yrs and above	0	1(12.5%)	1(3.2%)	0	2(3.3%)	Not Significant

Findings

1. Thus majority 55% of the respondents post graduate only.
2. Thus majority 43.3% of the respondents are working in a private concern
3. Thus majority 73.3% of the respondent’s annual income 100001-200000
4. Thus majority 36.7% of the respondents having an account with State Bank of India
5. Thus all the sample respondents have awareness about e-banking services.
6. 88.3% of the respondents agree that their expectations are met through e-banking services 48.3% of the respondents opt that ATM service is more user friendly
7. majority 88.3% of the respondents agree that they definitely recommend others to adopt the e-banking services

Suggestions

Banks should focus on technical areas and also at the customer satisfaction in today’s era. Where banking has taken altogether a different shape and customers are getting services at their palm and they need not first get a PC installed and get a wired internet



connection.

Today's client is living in a WI FI 4G generation and also is updated to use banking while going off to sleep or taking a swing on terrace of home or hotel. Payments through different E wallets and also different Apps , bankers have got tough competition. UPDATING is the only mantra with banks to stand in the tough environment.

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