



A STUDY ON CUSTOMER PERCEPTION & ATTITUDE TOWARDS ONLINE BANKING IN THIRUVANANTHAPURAM DISTRICT, KERALA

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ABSTRACT:

The banking sector has been rising over decades as an extremely vivacious and dynamic sector in Indian Economy. The technological innovation and developments in information technology end in simplified money transactions through online. The objective of the study is to study the perception and attitude of customers regarding on-line Banking services in Thiruvananthapuram District. The study was analyzed with 150 samples from 6 taluks of Thiruvananthapuram District. Simple percentage method was used for data analysis.

I. INTRODUCTION

Online banking allows a customer to make financial transactions through Internet, which is the easiest and low time consuming activity. Online banking also known as E banking, Internet banking, web banking... Internet banking enables a customer to perform bank transaction from customer's computer, mobile. It enables friendly relationship with customers and bank.

Online banking offers consumers every transaction that is available in a traditional branch. Fund transfer, cash deposits, bill payments, online mobiles recharges, balance enquiry etc... are offered by bank. The bank provides a one-time password to registered phone number of the customer, which makes it more security and safe transaction. It helps customers to manage their finance quickly and efficiently at any time anywhere.

For more convenient transaction, National Payments Corporation of India develops UPI- Unified Payments Interface. UPI is an immediate payment system that helps in transferring funds from one bank account to another bank account through mobile application.

However, lacks of awareness, lack of digital knowledge, risk of fraud are the drawback of internet banking.

II. REVIEW OF LITERATURE:

Kadir et al. (2011) explores the E-SERVQUAL Models that is responsiveness, customization and flexibility and concludes that so as to satisfy the customers Banks ought to improve their client service and processing system.

Kumbhar(2011) explores thirteen variables were significant to forecast the extent of satisfaction in E-banking services complete perception, easy use, trouble shooting, Security implementation and receptiveness.

Ahmad et al. (2011) concludes there's vital impact between the factors like on-line banking. Safety, confidentiality and client satisfaction.

Musime et al. (2011) concludes there's vital association between e-banking service, Customer acceptance and his satisfaction. The results show that the online banking service was utilized by the utmost users.

Stung et al. (2008) explored the ecological, managerial and world factors that turn out impact on customer satisfaction besides on-line banking.

Sadegi et al. (2010) delivered a seven factors convenience, accuracy, accessibility, usefulness, security, and web site style and bank image may be used as determinants to e-banking services on perception of customer.

Zailani,S. et al (2008) examines five factors such as privacy, security, trust, convenience, and experience influences the client perceptions on on-line ticketing service quality.

III. STATEMENT OF THE PROBLEM:

E-banking provides access to the users to make financial transactions electronically. User can get connected to his bank virtually and carry out its functions to meet his requirements .E-banking also provide speedy transactions and allow its user to use it for 24/7. Banking sector introduced e-banking so that to build customer satisfaction and to intensify bank's utility. Senior citizens generally tend to get timid while using e-banking because of technical difficulties, accessibility, complexity, and failure of understanding the procedure.

It is in this condition that this research has been done to find out the customer perception and attitude towards online banking services in Thiruvananthapuram district of Kerala.

IV. OBJECTIVES

The objectives of the study are as follows.

- To analyze the Socio-Economic background of respondents.
- To identify the reasons for preferring online banking.
- To study the customer perception and attitude towards internet banking services.

V. METHODOLOGY:

The data collected for the study include both primary and secondary data. The primary data are collected by questionnaire method through Google forms. Secondary data were collected from books, websites, articles, records.

Thiruvananthapuram district consists of 6 taluks. From these 7 taluks total of 150 samples were taken. For choosing samples, stratified random sampling method was adopted.

The collected data were analyzed using statistical tool for the fulfillment of the objectives of the study. Simple percentage analysis and Garrett's ranking were used for the study.

VI. DATA ANALYSIS AND INTERPRETATION:

TABLE 1

GENDER OF RESPONDENTS

SL.NO	GENDER	NO.OF RESPONDENTS	PERCENTAGE
1	Male	93	62
2	Female	57	38
3	Others	0	0
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 93(62.00%) respondents are male and 57(38.00%) respondents are female. Majority of the respondents are male.

TABLE 2

AGE OF RESPONDENTS

SL.NO	AGE	NO.OF RESPONDENTS	PERCENTAGE
1	Less than 20	20	13.33
2	20-30	47	31.33
3	30-40	40	26.66
4	40-50	30	20
5	50-60	10	6.66
6	60 and above	3	2
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 20(13.33%) respondents are below 20 years, 47(31.33%) respondents are between 20 years to 30 years, 40(26.66%) respondents are between 30 years to 40 years, 30(20.00%) respondents are between 40 years to 50 years, 10(6.66%) respondents are between 50 years to 60 years and only 3(2%) respondents are between 60 years and above. Most of the respondent's age ranges between 20years to 30years.

TABLE 3
EDUCATIONAL QUALIFICATION OF RESPONDENTS

SL.NO	EDUCATION QUALIFICATION	NO.OF RESPONDENTS	PERCENTAGE
1	Up to school level	10	6.66
2	Under graduate	63	42
3	Post graduate	43	28.66
4	Professional	29	19.33
5	Others	5	3.33
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 10(6.66%) respondents are studied up to school level, 63(42.00%) respondents are under graduate, 43(28.66%) respondents are post graduate, 29(19.33%) respondents are professional and 5(3.33%) respondents of them are from others. Majority of the respondents are under graduate.

TABLE 4
OCCUPATION OF RESPONDENTS

SL.NO	OCCUPATION	NO.OF RESPONDENTS	PERCENTAGE
1	Business	20	13.33
2	Professional	41	27.33
3	Employed	63	42
4	Others	26	17.33
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 20(13.33%) respondents are business men, 41(27.33%) respondents are professionals, 63(42.00%) respondents are employed and 26(17.33%) respondents are having other jobs. Most of the respondents are employed.

TABLE 5

MONTHLY INCOME OF RESPONDENTS

SL.NO	MONTHLY INCOME	NO.OF RESPONDENTS	PERCENTAGE
1	Up to 5000	20	13.33
2	5000-20000	10	6.66
3	20000-50000	63	42
4	50000-100000	49	32.66
5	More than 100000	8	5.33
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 20(13.33%) respondents have monthly income less than 5000, 10(6.66%) respondents have monthly income ranges between 5000-20000, 63(42.00%) respondents have monthly income ranges from 20000-50000, 49(32.66%) respondents have monthly income ranges between 50000-100000 and only 8(5.33%) respondents have monthly above 100000. Majority of the respondent's monthly income ranges between 20000 - 50000.

TABLE 6

ONLINE SERVICES USED BY THE RESPONDENTS

SL.NO	ONLINE SERVICES	NO.OF RESPONDENTS	PERCENTAGE
1	Bill Payment	58	38.66
2	Fund Transfer	112	74.66
3	Share Trading	39	26
4	Ticket Booking/Online Reservation	102	68
5	Credit Card	74	49.33
6	Prepaid Mobile Recharge	120	80
7	Online Shopping	85	56.66
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 58(38.66%) respondents bills are paid using E-Banking, 112(74.66%) respondents transfer funds using E-Banking, 39(26.00%) respondents use share trading facilities in E-Banking, 102(68.00%) respondents use online booking/online reservation facilities, 74(49.33%) respondents use credit cards, 120(80.00%) respondents use prepaid mobile recharge using E-Banking, 85(56.66%) respondents are shopping through online using E-Banking. Most of the respondents are using prepaid mobile recharge and fund transfer.

TABLE 7

FREQUENCY OF USING E-BANKING SERVICES

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	135	90
2	No	15	10
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 135(90.00%) respondents are using E-Banking services frequently and only 15(10.00%) respondents are not using the services of E-Banking. Majority of the respondents are using E-Banking services frequently.

TABLE 8

WHETHER E-BANKING SERVICES ARE EASY TO USE

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	111	74
2	No	39	26
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 111(74.00%) respondents said that E-Banking services are easy to use and only 39(26.00%) respondents said that E-Banking services are not easy to use. Most of the respondents said that E-Banking services are easy to use.

TABLE 9

WHETHER E-BANKING SERVICES ARE TIME SAVING AND COST EFFECTIVE

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	98	65.33
2	No	52	34.66
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 98(65.33%) respondents said that E-Banking services are time saving and cost effective and 52(34.66%) respondents said that E-Banking services are not time saving and not cost effective. Most of the respondents said that E-Banking services are time saving and cost effective.

TABLE 10

WHETHER E-BANKING SERVICES ARE AVAILABLE FOR 24 HOURS

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	86	57.33
2	No	64	42.66
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondent's 86(57.33%) respondents said that E-Banking services are available 24hours and 64(42.66%) respondents said that E-Banking services are not available for 24hours. Most of the respondents said that E-Banking services are available 24hours.

TABLE 11

WHETHER E-BANKING PROVIDES SAFETY AND SECURITY

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	125	83.33
2	No	25	16.66
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 125(83.33%) respondents said that E-Banking provides safety and security and 25(16.66%) respondents said that E-Banking didn't provide security and safety. Majority of the respondents said that it provides safety and security.

TABLE 12

WHETHER E-BANKING PROVIDES UP-TO-DATE AND ACCURATE INFORMATION

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	135	90
2	No	15	10
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 135(90.00%) respondents said that E-Banking provides up-to-date and accurate information and 15(10.00%) respondents said that E-Banking didn't provide up-to-date and accurate information. Majority of the respondents said that E-Banking provides up-to-date and accurate information.

TABLE 13

WHETHER CUSTOMERS ARE TOTALLY SATISFIED WITH E-BANKING SERVICES

SL.NO	YES/NO	NO.OF RESPONDENTS	PERCENTAGE
1	Yes	132	88
2	No	18	12
Total		150	100

Source: Primary data

It is clear from the table that out of 150 respondents 132(88.00%) respondents said that they are totally satisfied with E-Banking services. And 18(12.00%) respondents said that they are not totally satisfied with E-Banking services. Majority of the respondents said that they are totally satisfied with E-Banking services.

. 14. REASONS FOR CHOOSING ONLINE ANKING

Table 7
Reasons for choosing Online Banking

Sl. No.	Reasons	Garrett's Mean score	Rank
1	Fast service	57.47	III
2	Convenience	58.84	II
3	Simple to use	66.58	I
4	Secured	38.25	V
5	Multiple purpose	43.33	IV
6	Promotional offers	32.48	VI
7	Any time available	28.47	VII

Source: Primary data

It is clear from the table number 7, that majority of the rural respondents prefer PAYTM because of simple to use with mean score 66.58 (ranked first), followed by convenience with mean score 58.84 (ranked 2nd), fast service with mean score 57.47 (ranked 3rd), multiple purpose with mean score 43.33 (ranked 4th), secured transaction with mean score 38.25 (ranked 5th), promotional offers with mean score 32.48 (ranked 6th) and any time availability with mean score of 28.47 (ranked 7th).

Thus, majority of the respondents prefer Online Banking because of its simple to use feature.

VII. FINDINGS:

- Majority of the people are male.
- Most of the customer's age ranges between 20years to 30years.
- Majority of E-Banking customers are under graduate.
- Most of the E-Banking customers are employed.
- Majority of the E-Banking customer's monthly income ranges between 20000 - 50000.
- Most of the E-Banking customers are using prepaid mobile recharge and fund transfer.
- Majority of the people are using E-Banking services frequently.
- Most of the people said that E-Banking services are easy to use.
- Most of the people said that E-Banking services are some saving and cost effective.
- Most of the people said that E-Banking services are available 24hours.
- Majority of the E-Banking customers said that it provides safety and security.
- Majority of the customers said that E-Banking provides up-to-date and accurate information.
- Majority of the people said that they are totally satisfied with E-Banking services.
- Majority of the respondents prefer Online Banking because of its simple to use feature.

VIII. SUGGESTIONS:

- * Bank should update their application and websites frequently so that users can connect without any delay.
- * Create awareness especially among the senior citizens about e-banking and its processes.
- * To provide education to its customers about the benefits of e banking so that they can attract maximum number of customers.

IX. CONCLUSION:

It can be concluded that majority of the customers are satisfied with online banking services offered by the banks. But still some of the customers are not satisfied or not using the services offered by the banks through online banking, because they are aged people or they may have less knowledge about these online services, internet and even computer. So, banks should have done anything more to improve their communication strategies to make the customers aware about the various services. And also help the customers to use it properly to enjoy the benefits.

X. REFERENCE:

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