

# A Study on Consumer Awareness Towards E-Banking with Special Reference To Villupuram District

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**Abstract:** In this paper deals with consumer towards e-banking system related to consumer awareness towards e-banking system with special reference to Villupuram District of Tamilnadu. Data for this investigation were collected from primary as well as secondary sources. The sampling is random. The data was collected during the months between Oct to Dec, 2018. The data collected from the primary source were analysed with the help of various statistical measures such as simple percentage analysis, averages, F-Statistic, chi square test analysis were used. Secondary data have been collected from books, journals, newspapers, internet and periodicals.

**Keywords:** *Electronic banking; Internet banking; Credit/debit cards; Transparency; Accuracy; Cost saving; Customer's awareness and Satisfaction.*

## I. INTRODUCTION

The Internet has changed the operations of many businesses, and has been becoming a powerful channel for business marketing and communication American Banker. The banking industry has followed this trend in recent years, and sometimes called "e-banking" referring to all banking transactions now completing through Internet applications. The advance of communication and computer technology and the availability of the Internet have made it possible that one can do most banking transactions from a remote location even without stepping into a physical financial structure i.e., the emerging of e-banking Bruene. Today, less than 30% of the same consumer financial transactions run through a branch office or the lobby of a main bank office (Online Banking Report). As a result, the banks, as an industry, are formulating strategic plans to fight back in winning their customers suggested by Healy.

E-banking has been viewed as an advanced upgrading from previous electronic delivery systems to open many new business opportunities for the banking industry. A survey revealed that at that time there was a planned \$2 billion new investment in the new electronic banking technology within the banking industry Radeki. Among surveyed banks at the time, about two third (66%) planned to invest in telephone banking technology, and the remaining one third(34%) already targeted e-banking options. Some key issues addressed in the recent literature about the e banking include: customer acceptance and satisfaction, services rendered, value added for consumers and banks, privacy concerns, profitability, operational risks, and competition from non-banking institutions Boss et al. In addition to previous electronic banking delivery systems-automated tellermachine (ATMs) and telephone transaction processing centers, online banking provides banks a new and more efficient electronic delivery tool Costanzo.

There have been several major challenges and issues faced to the e-banking growth and the e-business in general. One major obstacle addressed most is the security concern. Another issue challenged e-business (including e-banking) is the quality of delivery service-including both delivery speed (i.e., short advance time required in ordering) and delivery reliability i.e., delivery of items/services ontime Furst et al. Limited payment options available to online customers are also being complained by Furash. Additionally, customers (who are non-computer "genius" like most senior citizens) have been reluctant in their choice of doing business (including banking transactions) online and worried their unfamiliarity about the computer placing them in a disadvantageous position. The paper deals the consumers perception towards e-banking system related to consumer awareness towards e-banking system with special referenceto Villupuram District of Tamilnadu.

## Objectives

1. To know the socio economic characteristics of the customers of E-banks.
2. To study the consumer's service quality an motivating factors in E-banking system.
3. To study finding's and suggestions E.banking services.

## II. RESEARCH METHODOLOGY

The study is intended to cover the awareness and satisfaction about E-banking facility provided by commercial banks in Villupuram district of Tamilnadu. Data for this investigation were collected from primary as well as secondary sources. The sample chosen consisted of 90 sample respondents representing the customers of E-banks. The sampling is random. The data was collected during the months between Oct to Dec, 2018. The data collected from the primary source were analysed with the help of various statistical measures with help of spss software. Secondary data have been collected from books, journals, newspapers, internet and periodicals

## Analysis and interpretation of the study Personal and demographic information.

From the above table it is clear that 42 percent of the respondents were under the age group of 21-30 years, 24 percent under the age group of 31- 40 years. 20 percent of the respondents were within the age group of below 20 years and 14 percent of the respondents are in the age group above 40 years. Hence, in the current study a majority of 42 percent of the respondents were in age group21-30.

Table 1: Personal and Demographic Information

Demographic Factors	Category	Frequency	Present
Age	Below 20	20	20.0
	21-30	42	42.0
	31-40	24	24.0
	Above 40	14	14.0
Gender	Male	47	47.0
	Female	53	53.0
Occupation	Govt. Employee	6	6.0
	Private employee	21	21.0
	House Wife	38	38.0
	Others	35	35.0
Education	School Level	38	38.0
	UG	31	31.0
	PG	18	18.0
	Others	13	13.0
Family	Below 3	23	23.0
	4,5	71	71.0
	Above 5	6	6.0
Income	Below-10000	12	12.0
	10001-20000	41	41.0
	20001-30000	26	26.0
	Above-30000	21	21.0

Regarding gender-wise classification of respondents it was found that out of the 100 respondents, 43 percent were male members and the remaining 57 percent were female. Hence, in the current study a majority of 57 percent of the respondents were female.

The above table clearly pictured that out of 100 respondents, 38 percent were housewives, 35 percent were other employed, 21 percent of them private employee, and only 6 percent were government officials. The majority of the shoppers were housewives who would personally undertake the task of shopping for the family.

To mention the educational level of the respondents, 38 percent of the respondents were School level, 31 percent were graduates, 18 percent were post graduates and 13 percent had a other qualification. Thus a major portion of the respondents were well-educated as 38 percent were school level and graduates.

To mention about the family size of the respondents, it may be seen from the table that out of 100 sample respondents, 71 percent had a small family with 4-5 members and 23 percent with below 3 members. And 6 percent of them above had a large family with more than above 5 members. Therefore the majority of the respondents belonged to the nuclear family type.

The monthly income of the respondents at various levels did vary. It was obvious from the table that 41% of the respondents earned an income between Rs.10001-20000, whereas Rs. 20001-30,000 was earned by 26 % of the

respondents per month, followed by 21 % of the respondents was earned above 30000 and 12% of the respondents earned below 10000. Thus the majority of the respondents 41% on an average earned an amount between Rs.10,000 and Rs.20,000 monthly.

Table 2: Customer perception on service quality factors.

Service Quality Factors	Average Score Respondents	F-Statistic
Time Factor	3.1032	1.1361
Reliability	2.1736	3.1432*
Queue management	2.1438	1.6413
On-line bill payment	2.3710	1.4351
Easy to use and user friendlines	3.2134	0.4751
Anytime and anywhere banking facility	3.6415	3.2185*
Cinvenience way of operating banking transactions	2.8124	3.6141*
*Significant at 5% level		

The customers are asked to rate each SQFs five point scale according to their order of satisfaction. The mean score of each SQFs and F-Statistic is given in table. According to the table customer perception on service quality factors was found high in the variables namely reliability, anytime and anywhere banking facility and convenience way of operating banking transactions. The mean score values of these variables are 3.1432, 3.2185 and

3.6141 respectively. The significant differences among the different customers are noticed in the case of service quality factors namely reliability, anytime and anywhere banking facility and convenience way of operating banking transactions since the respective 'F' values are significant at 5 per cent level.

Table No 3: Motivating factors to prefer E-banking services.

Motivating Factors	No.of Respondents	Percentage
Time Saving	73	81.11
Accuracy	49	54.44
Ubiquity	31	34.44
Easy and convenient access	68	75.56
Cost saving	77	85.56
Transparency	63	70.00
Social status	86	95.56
Confidentiality	50	55.56
Exchange of information	81	90.00
Service quality	67	74.44
Security	45	50.00
Speed	88	97.78
Control over funds	36	40.00
Time out feature	53	58.89
Total	90	100.00

Easy and convenient access, confidentiality, service quality and time saving are the factors influencing the respondents to prefer e-banking services at 75.56%, 55.56%, 74.44% and 81.11% respectively in Villupuram district. 70%, 54.44%, 85.56%, 34.44%, and 97.78% of the respondents are influenced by factors such as transparency, accuracy, cost saving, ubiquity and speed respectively to prefer e-banking services of the commercial

banks. Social status, security, control over funds, time out feature and exchange of information are the motivating factors for the customers at 95.56%, 50%, 40%, 58.89% and 90% respectively to prefer e-banking services of the commercial banks in Villupuram district of Tamilnadu.

### CONCLUSIONS

The research report is based on primary data. According to the study, the researcher concludes that the most of the bank customers are aware about all the banking services in Villupuram District of Tamilnadu. The banks further have to take necessary steps to educate the customers regarding the new technology and other services offered by the banks. Banks may extend customer meeting time with bank officials and also friendly approach is necessary. Definitely it will help to retain the existing customers and to attract new customers. It will automatically improve the banking service and development of banks in India and also in abroad. The research report is useful to know the consumer awareness of e-banking system and what types of risk involved in e-banking system.

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