

Customer Usages towards E-Banking

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Abstract

E-Banking is electronic banking which is used by the customer to access transactions electronically through the internet. It is a product designed for online banking that enables customers to have easy and safe access to their bank account. With this service customers save their time by carrying out banking transactions at any place and at any time, from their home or office, all their need is internet access. This study shows a result of e-banking usages of the customers. A hundred respondents are selected to interpret this present study.

Keywords: E-Banking, Benefits of E-Banking, Types of Electronic Banking.

Introduction

E-Banking means electronic banking which is conducting banking transaction via the internet. E-banking includes the buying and selling of goods and services, along with providing technical or customer support through the internet. For many people, electronic banking means 24-hour access to cash through an automated teller machine (ATM) or Direct Deposit of paychecks into checking or savings accounts. But electronic banking involves many different types of transactions, rights, responsibilities and sometimes, fees. E-banking enables to use on 24x7 basis the Accurate statement of all means available in customers bank account, Statement of current account, credits, overdrafts and customers deposits, Execution of national and international transfers in various currencies, Execution of all types of utility bill payments like electricity, water supply, telephone bills, Carrying out customs payments, Electronic confirmation for all transactions executed by E-banking, Management of customers credit cards. This study shows a result of e-banking usages of the customers.

Objective

- To identify the customer’s awareness of E-Banking.
- To find the Customers Various Usages of E-Banking.

Methodology Applied

- **Primary Data:** it is first-hand information used to collect data from the respondents directly through distributing questionnaires.

- **Secondary Data:** It is published data collected from journals, books and magazines, online to develop the theory.
- **Sample Size:** It is determined as 100 respondent’s opinion from the respondents who are presently purchasing products with the help of digital marketing

Various Forms of E-banking

Internet Banking

Internet Banking helps customers manage many banking transactions online via their PC.

Automatic Teller Machines (ATM)

An automated teller machine or automatic teller machine (ATM) is an electronic computerized telecommunications device that allows a financial institution’s customers to directly use a secure method of communication to access their bank accounts, order or make cash withdrawals (or cash advances using a credit card) and check their account balances without the need for a human bank teller.

Tele Banking

By dialing the given Telebanking number through a landline or a mobile from anywhere, the customer can access his account and by following the user-friendly menu, entire banking can be done through Interactive Voice Response (IVR) system.

Smart Card

A smart card usually contains an embedded 8-bit microprocessor (a kind of computer chip). The microprocessor is under a contact pad on one side of the card. Think of the microprocessor as replacing the usual magnetic stripe present on a credit card or debit card. The microprocessor on the smart card is there for security. The host computer and card reader actually “talk” to the microprocessor. The microprocessor enforces access to the data on the card. The chips in these cards are capable of many kinds of transactions.

Debit Card

Debit cards are also known as check cards. Debit cards look like credit cards or an ATM (automated teller machine) cards but operate like cash or a personal check. Debit cards are different from credit cards. While a credit card is a way to “pay later,” a debit card is a way to “pay now.” When you use a debit card, your money is quickly deducted from your checking or savings account.

E-Cheque

An e-Cheque is the electronic version or representation of paper cheque.

Other Forms of Electronic Banking

- Direct Deposit
- Electronic Bill Payment
- Electronic Check Conversion
- Cash Value Stored, Etc.

Benefits of E-Banking

For Banks

Price- In the long run a bank can save on money by not paying for tellers or managing branches. Plus, it's cheaper to make transactions over the Internet.

Customer Base- The internet allows banks to reach a whole new market- and a well-off one too, because there are no geographic boundaries with the Internet. The Internet also provides a level playing field for small banks who want to add to their customer base.

Efficiency- Banks can become more efficient than they already are by providing Internet access for their customers. The Internet provides the bank with an almost paper less system.

Customer Service and Satisfaction- Banking on the Internet not only allow the customer to have a full range of services available to them but it also allows them some services not offered at any of the branches. The person does not have to go to a branch where that service may or may not be offered. A person can print information, forms, and applications via the Internet and be able to search for information efficiently instead of waiting in line and asking a teller. With more better and faster options a bank will surely be able to create better customer relations and satisfaction.

Image- A bank seems more state of the art to a customer if they offer Internet access. A person may not want to use Internet banking but having the service available gives a person the feeling that their bank is on the cutting image.

For Customers

Bill Pay- Bill Pay is a service offered through Internet banking that allows the customer to set up bill payments to just about anyone. A customer can select the person or company whom he wants to make a payment and Bill Pay will withdraw the money from his account and send the payee a paper check or an electronic payment

Other Important Facilities- E-banking gives a customer the control over nearly every aspect of managing his bank accounts. Besides the Customers can, Buy and Sell Securities, Check Stock Market Information, Check Currency Rates, Check Balances, See which checks are cleared, Transfer Money, View Transaction History and avoid going to an actual bank. The best benefit is that Internet banking is free. At many banks, the customer doesn't have to maintain a required minimum balance. The second big benefit is better interest rates for the customer.

Concerns with E-Banking

As with any new technology new problems are faced.

Customer support - banks will have to create a whole new customer relations department to help customers. Banks have to make sure that the customers receive assistance quickly if they need help. Any major problems or disastrous can destroy the bank's reputation quickly and easily. By showing the customer that the Internet is reliable, you can get the customer to trust online banking more and more.

Laws - While Internet banking does not have national or state boundaries, the law does. Companies will have to make sure that they have software in place software market, creating a monopoly.

Security: the customer always worries about their protection and security or accuracy. There are always questions whether or not something took place.

Other challenges: lack of knowledge from customers end, sit changes by the banks, etc

Table Profile of the E-Banking Customers

	Category	No of Respondents	% of Respondents
Gender	Male	70	70%
	Female	30	30%
	Total	100	100%
Age	Below 18 Years	17	17%
	19-30	25	25%
	31-45	33	33%
	Above 45 years	25	25%
	Total	100	100%
Profession	House Wife	11	11%
	Employee	50	50%
	Business	23	23%
	Students	8	8%
	Any other	8	8%
	Total	100	100%
Monthly Family Income (in Rs.)	Below 10000	21	21%
	10001-20000	49	49%
	20001-40000	25	25%
	Above 40000	5	5%
	Total	100	100%

Table Awareness of E-Banking Customers

Particulars	No of Respondents	% of Respondents
Knowing online shopping	100%	100%
Not knowing online shopping	-	-
Total	100	100%

Table Availability of Online Information about Product

Particulars	No of Respondents	% of Respondents
Excellent	54	54%
Good	38	38%
Average	7	7%
Poor	1	1%
Total	100	100%

Table Reasons for Choosing E-Banking Shopping

Particulars	No of Respondents	% of Respondents
A wide variety of products	23	23%
Easy buying Procedures	38	38%
Lower Prices	19	19%
Various Modes of Payments	14	14%
Others	6	6%
Total	100	100%

Table Pattern of customers usage of E-Banking

Particulars	No of Respondents	% of Respondents
Consumer Durables	46	46%
Textile Goods	12	12%
Petrol/Diesel	26	26%
Consumer non-durables	16	16%
Total	100	100%

Table Frequency of E-Banking Purchasing

Particulars	No of Respondents	% of Respondents
purchase once Annually	12	12%
2 -5 Purchases Annually	46	46%
6-10 Purchases Annually	26	26%
11 Purchases and above Annually	16	16%
Total	100	100%

Findings

- E-banking has a greater future in the present market.
- Consumers are satisfied through purchasing E-Banking.
- People find it a safe mode of E-banking purchase.
- A ratio of male customers is very high in online shopping that is 70%.
- Awareness about E-Banking is 100% among the respondents.
- Income of respondents mainly falls in the range of Rs. 10,001 to Rs. 20,000 that is 49%.
- Employees of various companies are purchasing more than others through online shopping that is 50%.
- Most numbers of respondents that are 38% feel that E-Banking have simple buying procedures; others feel that they can have a broad variety of products, products with lower price, a variety mode of payments, etc.
- 54% of respondents feel that the availability of E-Banking information about Product & Services is outstanding.
- E-Banking is used 46% of the customers for purchasing Consumer Durables.
- 46% of the respondents purchase the products 2 to 5 times annually.

Suggestions

- Improve technical advancement in the promotion of E-Banking.
- Collect and implement the feedback provided by the consumer in the right way.
- Provide a transparent and good service to the consumer before and after purchase.
- Creating awareness among the people about E-Banking.
- Complete description needs to provide about the product to the E-Banking shoppers.

Conclusion

E-Banking helps the customers make life easy to improve knowledge in meeting the present trend of their expectation and get adequate services from banks. A customer has an opportunities to send and receive information about product and services immediately by using any media such as TV, FM, android mobile, cinema, digital news paper, computer, e-mail, WhatsApp, YouTube

but it is expensive of small trader and inexpensive to the big concerns. E-banking may achieve something more if it considers consumer desires as a peak priority. Developing country like India has to utilize e-banking to increase the economy and all-round development of a nation. Banks have come to realize that survival in the new e-economy depends on delivering some or all of their banking services on the Internet while continuing to support their traditional infrastructure.

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