

Impact of Online Banking Services

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Abstract

Information Technology has become a necessary tool in today's organizations. Banks today operate in a highly globalized, liberalized, privatized and a competitive environment. To survive in this environment banks have to use IT Electronic banking has emerged from such an innovative development. Even at present, India is a relative unbanked country as the credit-to-GDP ratio is one of the lowest in the developing economies. So banks are facing the dual challenge of increasing penetration and high growth trajectory. After demonetization, the E-banking becomes an essential component to "improve economic growth" now Bank of India recently implemented cashless withdrawal service. Finally, this study concluded that the bankers should create awareness among their customers related to E-banking services.

Keywords: E-Banking Services

Introduction

Information Technology has become a necessary tool in today's organizations. Banks today operate in a highly globalized, liberalized, privatized and a competitive environment. To survive in this environment, banks have to use IT. IT has introduced a new business paradigm. It is increasingly playing a significant role in improving the services in the banking industry. Indian banking industry has witnessed a tremendous developments due to sweeping changes that are taking place in the information technology. Electronic banking has emerged from such an innovative development. Modern technology is seen as a panacea for most of the ills that the banking sector faces today. Even at present, India is a relative unbanked country as the credit-to-GDP ratio is one of the lowest in the developing economies. So banks are facing the dual challenge of increasing penetration and high growth trajectory. The banking industry can kill two birds with one stone that is with the help of technology. Tremendous progress took place in the field of technology which has reduced the world to a global village and it has brought remarkable changes in the banking industry. Branch banking in the brick and mortar mode has been transformed into click and order channel mode.

Concepts of E-Banking

The Internet Banking Concept: There are two concepts of Internet banking: First, “A bank that only exists on the internet and has no offices.” In this case, the operations are conducted exclusively over the Internet. Second, banks whose offices are physically and have a distribution channel for products and services operating on the internet. This case is currently the most common.”

The Definition of Internet Banking: “You can set Internet banking as a set of technological tools that offers a financial institution for its customers to make banking transactions via the computer using your Internet connection.” The Internet banking service is based on a web interface or connection that integrates the functionalities of a bank branch. The term Web comes from the English and their translation is red. In addition to defining the overall structure of the network, this word refers to each of the parts of Internet web pages.

Statement of the Problems

After demonetization, the E-banking becomes an essential component to “improve economic growth” now Bank of India recently implemented cashless withdrawal service. On the other, hand Banks are facilities their services through E-banking and help to educate their clients about using cashless transactions.

Objectives of the Study

1. To identify various factors to adopted e-banking services by customers.
2. To study and analyze the progress made by the Indian banking industry to improve customers in technology.

Methodology

The instrument used for data collection for this study was the questionnaire method. This was because of the nature of information required and the form of analysis to be conducted. An eight-question structured questionnaire was designed and administered to customers. This study contained 50 respondents for data collection.

Research Questions

1. State out your educational level.
2. Which categories of banks do you using?
3. State the type of E-banking services which you have been used.
4. Which features are influenced by using E-Banking Services?
5. What type of E-banking transaction are you used frequently?
6. Point out opinion about the satisfaction level of E-banking services.
7. Your banks are providing adequate knowledge to use E-banking services.
8. Are your banks giving awareness about E-banking services?

Educational Qualification		
Educational Level	No. of Respondents	Percentage
Below SSLC	9	18
HSC	20	40
Graduate	18	36
Professionals	3	6
Total	50	100

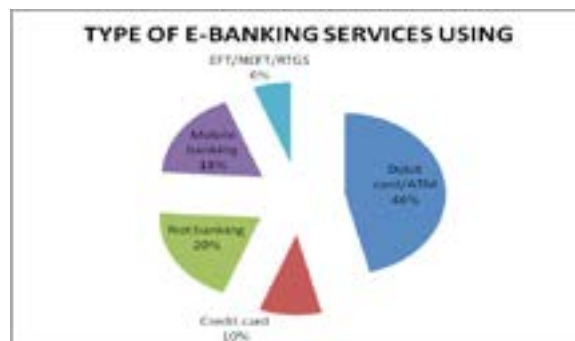
From the above table shows the level of education among the respondents. 40 % of the respondents are HSC, 36% of the respondents are graduates,18% of the respondents are below SSLC and 6% of the respondents are professionals. It could be inferred that the majority of the respondents had HSC education level.

Type of Bank		
Bank Type	No. of Respondents	Percentage
Public sector banks	27	54
Private sector banks	23	46
Total	50	100

Out of the total respondents, 54% of dealing in public sector banks and 46% of the respondents deal with private sector banks.

Type of E-Banking Services Using		
E-Banking Services	No. of Respondents	Percentage
Debit card/ATM	23	46
Credit card	5	10
Net banking	10	20
Mobile banking	9	18
EFT/NEFT/RTGS	3	6
Total	50	100

The above table shows that 46% of the respondents are using e-banking services to debit card/ATM, 20% of the respondents using net banking, 18% of the respondents used for mobile banking, 10% of the respondents used for credit card and 6% of the respondents used for EFT/NEFT/RTGS.



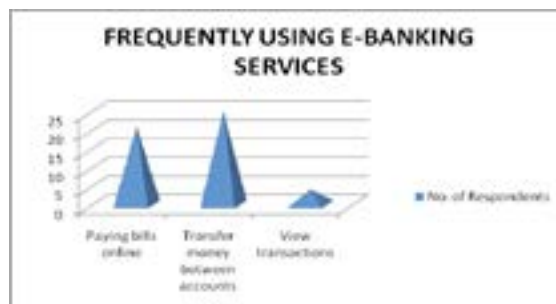
Factors to Using E-Banking Services		
Factors influencing	No. of Respondents	Percentage
Time-saving	11	22
Access any time	26	52
safety secure	3	6
Easy to use	10	20
Total	50	100

It is clear from the above that 52% of the respondents using for access any time, 22% of the respondents using Time-saving, 20% of the respondents using for Easy to work and 6% of the respondents using for safety & secure.



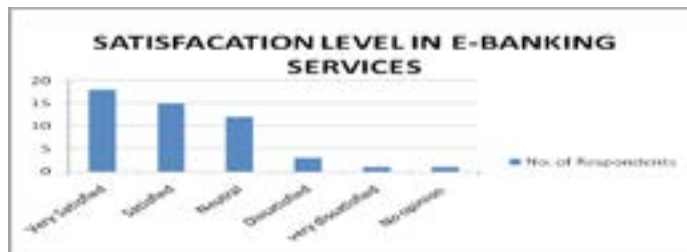
Frequently Using E-Banking Services		
Frequent Use	No. of Respondents	Percentage
Paying bills online	21	50
Transfer money between accounts	25	42
View transactions	4	8
Total	50	100

The above table shows that 50% of the respondents using E-banking services to paying online bills, 42% of the respondents using for transfer money between accounts and 8% of the respondents using for view transactions.



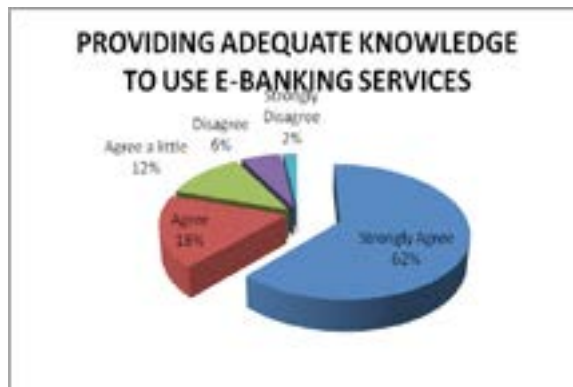
Satisfaction Level in E-Banking Services		
Satisfaction in E-Banking services	No. of Respondents	Percentage
Very Satisfied	18	36
Satisfied	15	30
Neutral	12	24
Dissatisfied	3	6
very dissatisfied	1	2
No opinion	1	2
Total	50	100

It is found from the above table that 36% of the respondents feel very satisfied, 30% of the respondents feel satisfied, 24% of the respondents feel neutral, 6% of the respondents feel dissatisfied and 2% of the respondents feel very dissatisfied and no opinion.



Providing Adequate Knowledge to Use E-Banking Services		
Adequate Knowledge to Use	No. of Respondents	Percentage
Strongly Agree	31	61
Agree	9	18
Agree on a little	6	12
Disagree	3	6
Strongly Disagree	1	2
Total	50	100

The above table refers that 61% of the respondents say strongly agree, 18% of the respondents say strongly agree with a little, 6% of the respondents say agree and 2% of the respondents says strongly disagree



Awareness about E-Banking Services		
Giving Awareness	No. of Respondents	Percentage
yes	42	84
No	8	16
Total	50	100

It is clear from the above table 84% of the respondents are saying yes and 16 % of the respondents are saying no.

Conclusion

Finally, this study concluded that the bankers should create awareness among their customers related to E-banking services. Most of the customers are using E-banking services by paying online bills so bankers must build their security system to avoid cyber crimes. Education level is not a barricade to adopting E-banking services because the banker was providing their product easy to use. Over all E-banking services is developing economic growth.

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