A STUDY ON CUSTOMER AWARENESS OF E-BANKING IN TENKASI

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Abstract: Banking has played a very important role in the economic development of all the nations of the world. In fact, banking is the life blood of modern commerce. In recent era, Technology play dominant role in banking sector. Consequently, almost all the banking sector adopt the new technologies of e-banking service. E-banking includes Mobile banking, internet banking and Automatic Teller machine. Hence the researcher has attempt to analyse the customer awareness of e-banking in Tenkasi. The main objective of this study is To study the level of customer awareness of E-banking in Tenkasi. Under the convenient sampling methods the researcher drew 180 respondents. For analyzing the data, the SPSS (statistical package for social science) was used.

Key Words: E-Banking, Internet, Customer, ATM

I. Introduction

Banks cater to the needs of agriculturists, industrialists, traders and to all the other sections of the society. Thus, they accelerate the economic growth of a country. In olden days, customers visit the bank and know the bank formalities with the help of bank staff and then the customers withdraw the cash. After they done their works, then they will be return to their homes. Now a days in the banking sector also, including the technology play dominate role. In past majority of the people has some difficulties to approach the bank and waited in the long queue for withdrawing cash, requesting a statement of account, transferring the funds etc. so the bank takes many steps to decreases the difficulties and adopt the new technologies of e-banking service. E-banking includes Mobile banking, internet banking and Automatic Teller machine.

II. Statement of the problem:

In this competitive scenario, everyone wants to promote and sustain his business. There are various media through which one can prompt the business. So, they all need awareness about systemized bank services like Internet banking, Mobile banking, and Automatic teller machine services. E-banking is considered a powerful media. In general, the people are not aware of e-banking and its advantage. In this context, the following research questions arise.

1. To what extent the respondents are aware about technology driven services in the study area named Tenkasi?
2. What is the E-banking services availed by the customers?
3. What are the major problems faced by the user while using E-banking services?
4. What is the level of satisfaction towards e-banking service?

III. Primary objective:

To study the level of customer awareness of E-banking in Tenkasi.

Secondary objective:

1. To study the facilities availed by the E-banking users in the study area.
2. To find out major problems faced by the customer while using E-banking services.
3. To study the level of satisfaction of E-banking customers.
4. To offer suitable suggestion to promote the awareness of the customers.

IV. Research methodology:

Research Design - Descriptive design
Sampling Design – Convenient sampling method
Sampling size – 180
Sources of Data – Primary and Secondary
Statistical Tools – Factor analysis and Chi square test.
V. Age and awareness of E. Banking

H₀: There is no association between age of the respondents and awareness about e-banking services.

Table No.1

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>43.409²</td>
<td>10</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>47.256</td>
<td>10</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.825</td>
<td>1</td>
<td>.364</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>180</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 9 cells (42.9%) have expected count less than 5. The minimum expected count is .43.

Source: Resulted computed through spss package.

The ‘p’ value, that is pearson chi-square test reads a significant level of 0.000 at 5% level of significance. This value of 0.000 being less than the significance level of 0.05, the null hypothesis is rejected. Hence, there is association between age of the respondents and awareness about e-banking services.

VI. Problem while using E-banking services:

Table No. 2

Rotated Component Matrix a

<table>
<thead>
<tr>
<th></th>
<th>Component 1</th>
<th>Component 2</th>
<th>Component 3</th>
<th>Component 4</th>
<th>Component 5</th>
<th>Component 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>No printing statement</td>
<td>.773</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Out of order</td>
<td>.772</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Card get locked</td>
<td>.748</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutilated notes</td>
<td>.700</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insufficient of cash machine</td>
<td>.589</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changing password</td>
<td></td>
<td>.813</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power cut</td>
<td>.772</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No safe and secure</td>
<td>.720</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>User friendly</td>
<td>.515</td>
<td></td>
<td>.688</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficulty using other banks ATM centre</td>
<td>.698</td>
<td></td>
<td></td>
<td>.855</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Slow process</td>
<td></td>
<td></td>
<td></td>
<td>.699</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waiting in long queue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.860</td>
<td></td>
</tr>
<tr>
<td>Fresh card</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.855</td>
</tr>
<tr>
<td>Expiry date</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.543</td>
<td></td>
</tr>
<tr>
<td>Fee charged</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.713</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 10 iterations.

Source: Computed Data

Above table exhibits the rotated factor loadings for the 17 statements(variables) have been reduced to six factors, namely F1, F2, F3, F4, F5, and F6. These six factors with suitable names are given below:

F1- No printing statement.
F2- Changing password.
F3- Using other bank ATM.
F4- Slow process
F5- Fresh card.
F6- Fee charged.

Therefore, these are the identified six variables, which carry greater influence over the relative factors that the respondents are mostly facing the high problems of using E-banking services.
VII. Findings:
- Among the 180 respondents, 110 respondents mostly suggest the better way of creating awareness to Ad in television that is 61%.
- Among the 180 respondents, 154 respondents are opening an e-banking account for the reasoning of Convenience (24 hours) that is 86%.
- Among the 180 respondents, 150 respondents have used only one services of ATM, Mobile banking, Internet banking that is 83%.

VIII. Suggestions:
- Banks should organize public exhibitions and talk shows and make products accessible to all customers.
- Don’t use in public browsing centres/ shared computers.
- Don’t create password which can be easily guessed by others.
- Governments should provide adequate regulatory framework that will ensure customer protection and security transaction.

IX. Conclusion:
Most of the respondents are aware of e-banking either fully or partially. E-banking are the most preferred choice followed by ATM, Internet banking, Mobile banking in terms of the frequency of usage for the benefits accruing time savings come out to be the major benefit followed by easy processing, inexpensive, and easy fund transfer, bill payment etc. Some of respondents are account holders of different banks, and they have been availing the e-banking facilities provided by the banks. In many advertisement can play a major role in making people aware of e-banking technologies, e-banking is useful and they will use it in future.

Bibliography