



A STUDY ON CUSTOMER PERCEPTION TOWARDS INTERNET BANKING IN CHENNAI

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ABSTRACT

Nowadays, Banks came to know more than other portals about the problem and the risk which are faced in this busy competitive world. By offering e-commerce products, this Banking Sector has a major key advantage to overcome from this competitive world. Internet banking which comes under e-commerce created a way to strengthen their relationship with customers and can able to provide upcoming updates and services which are offered by the bank to the customer through internet easier. The paper deals with A Study on Customer Perception towards Internet Banking in Chennai. The study Achieved by using both Primary and Secondary data. Secondary data were collected by creating an online links and share to the respondents inside Chennai using convenience sampling. Around 150 Samples were collected and the analysis of Primary Data was calculated by using Statistical Package for the Social Sciences' (SPSS) 16.0 for windows. From the analysis more than 50% of Respondent is highly satisfied with usefulness and easy use of Internet Banking. Where the Respondent from the age group of above 50 (2.7%) was comparatively less. so, the Bank need to take a necessary steps to educate these age (above 50) group of customers. Also, Respondents agree (48%) that they have problem in security risk arises from hacking. so; Banks need to take an additional note on security risk factors.

KEY WORDS: E-Banking, Internet Banking, Analysis, Customer Satisfaction

1.1 INTRODUCTION

Nowadays, Banks came to know more than other portals about the problem and the risk which are faced in this busy competitive world. By offering e-commerce products, this Banking Sector has a major key advantage to overcome from this competitive world. Internet banking which comes under e-commerce created a way to strengthen their relationship with customers and can able to provide upcoming updates and services which are offered by the bank to the customer through internet easier. Internet Banking was increasingly used by this generation people because of its preserved Usefulness and preserved easy to use.

Internet Banking Achieve Banking Activities like amount transferring, Bill payment, Checking Bank Balance and about active state, online shopping by using Internet as the Delivery Channel. It is

Difficult to find whether Internet Banking Tools has been applied for convenience of bank or for the convenience of the customers. Ultimately this Internet banking satisfies and provided for the convenience of the customers. One of the most important advantages is that customer can transact funds from any corner from any country at any time.

It is convenient, it isn't bound by operational timings, there are no geographical barriers and the services can be offered at a minuscule cost (IAMAI's, 2006). Electronic banking has experienced explosive growth and has transformed traditional practices in banking (Gonzalez et al., 2008).

Internet Banking was first introduced by Private Banking Sectors in India for Banking Industry. These Private Banking Sectors faced a problem to establishing this network in remote corner of all over the country is highly difficult. They felt that the only way to connect with customers can be achieved only by providing anytime customer service through Internet applications. So, Private sectors took Internet Applications as a weapon of competitive advantage to corner monolith like Indian Banks, SBI, etc.,

1.2 REVIEW OF LITERATURE

Dr. MUNISH GUPTA (2020), study says that the reliability of all the dimensions such as security, operation, convenience, service, loyalty, dilemma, and skill are measured in this article. Internet banking is an explosive tool that leads to massive cost reductions and convenience but, still there exist some gaps in the implementation of these policies and programs.

MR. TINASHE DONDO, MS. THABANI N YONI, MR. TAKUDZWA.C. MARADZE (2020), the study says both the positive and negative points about the internet banking, where this study also explains about the impact of electronic banking on commercial bank competitiveness. This article also explained about the risk and factors that affect the use of e-bank and the author suggested improving the infrastructure of the bank by different technology.

PERERA A.P.P., PRIYANATH H.M.S (2018), this study attempted to explore how internet banking service qualities affect the customer satisfaction? The data were collected from the 285 customers who are using internet banking services in Bank of Ceylon, Pandora Branch for the structured questionnaire conducting face-to-face interviews. Data were analyzed using Partial Least Squares-Structural Equation Modeling. The study tested seven hypotheses between seven dimensions of internet banking service qualities and customer satisfaction. The results revealed that contact, efficiency, system availability and compensation have significant positive impact on customer satisfaction while fulfillment, privacy and responsiveness there no significant get differed.

MS. FOZIA(2015), from the article, the author analyzed the overall perception of customers regarding the services of e-banking, and she found that Age and occupation are the two factors which have been used to measure the perception towards customers on e-banking services and, she suggested that E-Banking will be successful only if bank have Commitment to e-Banking along with a deeper understanding of customer needs. This can come only when the bank has a very big base of customers, best people and new technology.

DIVYA SINGHAL AND PADHMANABHAN V (2015), the study says that Internet banking is becoming increasingly becoming popular because of convenience and flexibility. This particular paper explores factors which are responsible for internet banking based on respondents at internet applications. The study also included framework which are taken to assess the internet banking perception. The analysis done with the help of statistical tools clearly indicate the factors responsible for internet banking. Some major factors are utility request; security, utility transaction, ticket booking and fund transfer are identified from the author analysis.

SAMSUNISA A(2015), in her paper she explained about the customer perception towards internet banking, and she suggested to educate the customer about internet banking either by media or by an trainer and the banks should educate their customers on the safety use of their passwords and pin numbers. Study says that old age people where facing a lot of issues , so importance to be given to those people and proper training on the usage of e-banking should be given to them.

1.3 OBJECTIVE OF THE STUDY:

1.3.1 PRIMARY OBJECTIVE:

To study the consumer perception towards Internet banking services in Chennai.

1.3.2 SECONDARY OBJECTIVES:

- To measure the satisfaction level of customers.
- To know the cause why customers are using internet banking services.
- To measure how familiar internet banking website are useful for customer to access.
- To know the problems which are faced by the customer in internet bank.

1.4 SAMPLING PLAN

Since it is not possible to study whole universe, it becomes necessary to take sample from the universe to know about its characteristics.

- Sampling Units: Different Account Holder from the bank.
- Sampling Size: 150
- Sample Technique: Convenience Sampling.
- Research Instrument: Structured Questions.
- Contact Method: Personal Google Form Link Response.
- Tolls : Chi-square, Correlation, ANOVA test

1.5 CHI-SQUARE TEST

(Null Hypothesis) H₀ = There is no Association between services making user work faster and transfer without special cost.

(Alternative Hypothesis) H₁ = There is Association between services making user work faster and transfer without special cost.

Table 1.5.1: Tables says the association between service makes user work easier and unlimited amount can transfer without any special cost.

Chi-Square Tests				
		Value	df	Asymptotic Significance (2-sided)
Pearson	Chi-Square	34.512 ^a	16	.005

Likelihood Ratio	27.008	16	.041
Linear-by-Linear Association	.463	1	.496
N of Valid Cases	150		
a. 14 cells (56.0%) have expected count less than 5. The minimum expected count is .02.			

INTERPRETATION:

Since p (0.005) value is lesser than 0.05, we accept the alternate hypothesis and reject the null hypothesis. Therefore, there is an association between making truncation any time and transfer without special cost



(Null Hypothesis) H₀ = There is no Association between saves time and incorrect transaction.

(Alternative Hypothesis) H₁ = There is Association between saves time and incorrect transaction.

Table 1.5.2: Say about the association between saves time and incorrect transaction.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	14.439 ^a	12	.274
Likelihood Ratio	14.494	12	.270
Linear-by-Linear Association	3.129	1	.077
N of Valid Cases	150		
a. 13 cells (65.0%) have expected count less than 5. The minimum expected count is .04.			

INTERPRETATION:

Since p (0.274) value is higher than 0.05, we accept the null hypothesis and reject the alternative hypothesis. Therefore, there is no an association between time saving and incorrect transaction.

1.6 CORRELATION

Table 1.6.1: say about the relationship between trust issue and unauthorized access.

Correlations			
		trust issue	unauthorized access
trust issue	Pearson Correlation	1	.392**
	Sig. (2-tailed)		.000
	N	150	150
unauthorized access	Pearson Correlation	.392**	1
	Sig. (2-tailed)	.000	
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

INTERPRETATION:

The value of correlation coefficient (r) is 0.392. Hence there is a high correlation between trust issues and unauthorized access.

Table 1.6.2: Table says about the relationship between perform correct service and login creational is necessary

Correlations			
		perform correct service	login password necessary
perform correct service	Pearson Correlation	1	.153
	Sig. (2-tailed)		.060
	N	150	150
login password necessary	Pearson Correlation	.153	1
	Sig. (2-tailed)	.060	
	N	150	150

INTERPRETATION

The value of correlation coefficient (r) is 0.153. Hence there is a high correlation between trust issues and unauthorized access.

1.7 ONE-WAY ANOVA

(Null Hypothesis) H₀ = There is no Significant Relationship between age and personnel respond to customers query quickly in internet banking

(Alternative Hypothesis)H₁ = There is a significant relationship between age and personnel respondents the customer query quickly in internet banking

Table 1.7.1: Table shows the association between different age group and personal response given by banking sectors.

ANOVA					
personal respond					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.260	3	2.752	1.672	.176
Within Groups	241.740	147	1.646		
Total	250.000	150			

Interpretation:

Where 0.176 is greater than 0.05, so Null Hypothesis get rejected and Alternative Hypothesis get accepted and there is a relationship between age and personnel respond to the customers query quickly .

1.8 Conclusion

The basic objective of my research was to understand the customer perception on internet banking in Chennai. The study tries to figure out what are the factors that affect the usage behavior of the customers towards Internet banking services. From the analysis more than 50% of Respondent is highly satisfied with usefulness and easy use of Internet Banking. Where the Respondent from the age group of above 50 (2.7%) was comparatively less. so, the Bank need to take a necessary steps to educate these age (above 50) group of customers. Also, Respondents agree (48%) that they have problem in security risk arises from hacking. so; Banks need to take an additional note on security risk factors.

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