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A STUDY ON CONSUMER PERCEPTION TOWARDS E-BANKING IN KUMAUN REGION OF UTTARKHAND

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ABSTRACT

This research paper investigates the consumer perception towards e-banking in kumaun region of Uttarakhand. E-banking, also known as electronic banking refers to the use of digital platforms and technologies by banks to provide financial services to their customers. The objective of this study is to analyze the attitudes, preferences, and satisfaction levels of consumers in kumaun region towards e-banking services offered by various banks. The research employs a quantitative approach, utilizing a structured questionnaire to collect data from a sample of bank customers in the district. The questionnaire includes items related to the awareness and usage of e-banking services, perceived benefits, and risks, ease of use, security concerns, and overall satisfaction. The collected data will be analyzed using statistical techniques to identify patterns and trends in consumer perception towards e-banking. The findings of this study will contribute to a better understanding of consumer behavior in the context of e-banking and provide insights for banks and policymakers to improve their e-banking services.

Keywords: e-banking, consumer perception, kumaun region, Uttarakhand, attitudes, preferences, satisfaction, awareness, usage, benefits, risks, ease of use, security concerns, consumer behavior, digital banking.

1.0 Introduction

The rapid advancement of digital technology has transformed various aspects of our lives, including the way we conduct financial transactions. E-banking, also known as electronic banking, has emerged as a revolutionary mode of delivering financial services, allowing customers to perform banking activities electronically through digital platforms. This paradigm shift has not only altered the landscape of the banking industry but has also significantly impacted consumer behavior toward financial services.

The present research paper delves into the captivating domain of e-banking by focusing on the consumer perception towards these digital banking services in kumaun Region, Uttarakhand. As e-banking continues to gain prominence as a convenient and efficient method of accessing financial services, understanding the attitudes, preferences, and satisfaction levels of consumers becomes imperative for both banks and policymakers. This study aims to shed light on various aspects of consumer perception towards e-banking, unraveling insights that can potentially enhance the quality and delivery of e-banking services.

The central objective of this research is to investigate the nuances of consumer perception towards e-banking services offered by different banks operating in the Kumaon region. By employing a quantitative approach, the study employs a structured questionnaire to collect data from a carefully selected sample of bank customers within the district. The questionnaire is thoughtfully designed to explore crucial dimensions of consumer perception, such as awareness and usage of e-banking services, perceived benefits, and risks, ease of use, security concerns, and overall satisfaction with digital banking.

Through statistical analysis, the collected data will be meticulously examined to identify trends, patterns, and correlations in consumer behavior concerning e-banking. These findings are anticipated to provide valuable insights into the factors that influence consumers' adoption and utilization of e-banking services. Moreover, the research aims to contribute to the broader understanding of consumer behavior in the context of digital banking, aiding financial institutions and policymakers in devising strategies to cater to the evolving needs and expectations of their customers.

The significance of this study lies in its potential to offer actionable recommendations to banks and policymakers to enhance the design and delivery of e-banking services in kumaun region of Uttarakhand. As the banking sector continues to navigate the dynamic landscape of digital transformation, understanding consumer preferences and addressing their concerns becomes pivotal for sustaining a competitive edge in the market.

The subsequent sections of this research paper will delve into the detailed methodology employed in data collection and analysis, the presentation and interpretation of results, and a comprehensive discussion of the implications of the findings. Ultimately, the endeavor of this study is to foster a greater understanding of consumer behavior in the realm of e-banking and provide valuable insights that contribute to the growth and refinement of digital banking services in kumuan region of Uttarakhand.

LITERATURE REVIEW

Goyal & Goyal , 2012 has done their research on “Customer perception towards Internet banking with respect to to private and foreign banks in India” and they stated on their research an analysis of the differences in risk perceptions between bank customers using Internet Banking and those not using Internet Banking was done and it showed that risk perceptions in terms of financial, psychological and safety risks among customer not using the internet was more meaningful than those using internet banking. Customers not preferring to use internet banking thought that they would be swindled when using this service, and therefore, are particularly careful about high risk expectation during money transfers from and between accounts. Private and foreign banks are trying to turn more and more customer towards the usage of internet for the banking transaction. This study is basically to know the relation of various independent variables on the customer usage of internet for banking.

Ramanigopal, Palaniappan, Hemalatha , & Mani, 2011, on their research they mentioned the marketing mantra “Customer is a King” is no more on paper, and how it has become a reality. Increased level of awareness among the customers leads to increased preferences. Today’s customers are not satisfied with care and courtesy alone, they expect concern and commitment. Therefore, a customer-centric approach is the need of the hour. In this competitive environment not the oldest, not the strongest and not the first can survive, but only the “Best” can survive. Therefore, usage of modern technology for better service is imperative. Educational level of respondents influences the use of internet banking facility and highly satisfied with secrecy maintenance, transaction updating, account transfer and security followed by easy access while using the internet banking services. The success of Internet banking not only depends on the technology but also on, to the large extent the attitude, commitment and involvement of the operating at all levels and how far the customers reap the benefits from Internet banking services.

Singhal & Padhmanabhan, 2008, on their research paper they stated about explores the major factors responsible for internet banking based on respondents’ perception on various internet applications. It also provides a framework of the factors which are taken to assess Internet banking perception. Reddy & Reddy, 2015, The researcher has identified consumer perception toward the convenience and willingness to use E-banking services are identified and measured. Customer satisfaction level towards E-Banking has been identified.

1.1 Objectives of Research

1. To study the factors that affect customer perception towards e-banking.
2. To know about the satisfaction level of customers towards e-banking services.

2.0 RESEARCH METHODOLOGY

2.1 Type of Research

This study is DESCRIPTIVE in nature. It helps in breaking vague problems into smaller and precise problems and emphasizes discovery of new ideas and insights.

2.2 Why this Research?

An online survey and is to describe situations is a descriptive research method that produces conclusive data given its quantitative ability. Unlike exploratory research, descriptive research is methodically planned, designed, and formatted to collect quantifiable data. Grouping responses into set choices will provide statistically conclusive data. This allows you to measure the significance of your results on the overall population, as well as track the changes of your respondents’ opinions, attitudes, and behaviors over time.

2.3 Research Design

Research design constitutes the blueprint for the collection, measurement and analysis of data. The present study seeks to identify the extent of preferences of e-Banking over traditional banking among service classes. The research design is descriptive in nature. The research has been conducted on customers of various banks. For the selection of the sample, a convenient sampling method was adopted and an attempt has been made to include all the age groups and gender of every class.

2.3 Sampling size

It indicates the number of people to be surveyed. Though large samples give more reliable results than small samples but due covid -19 pandemic or to constraints of time and money, the sample size was restricted to 100 respondents. The respondents belong to different age groups.

2.4 Data Collection

Keeping in view the nature of the requirements of the study to collect all the relevant information regarding the extent of awareness of the customers using E-banking facilities offered by banks, a direct personal interview method with a structured questionnaire was adopted for the collection of primary data and secondary data

4.0 Analysis and Discussion

4.1 Demographic analysis of the number of Start-up- respondents

Table 1: Demographic Analysis : Gender of participants

	MALE	FEMALE	OTHERS	TOTAL
No of Participants	47	52	1	100

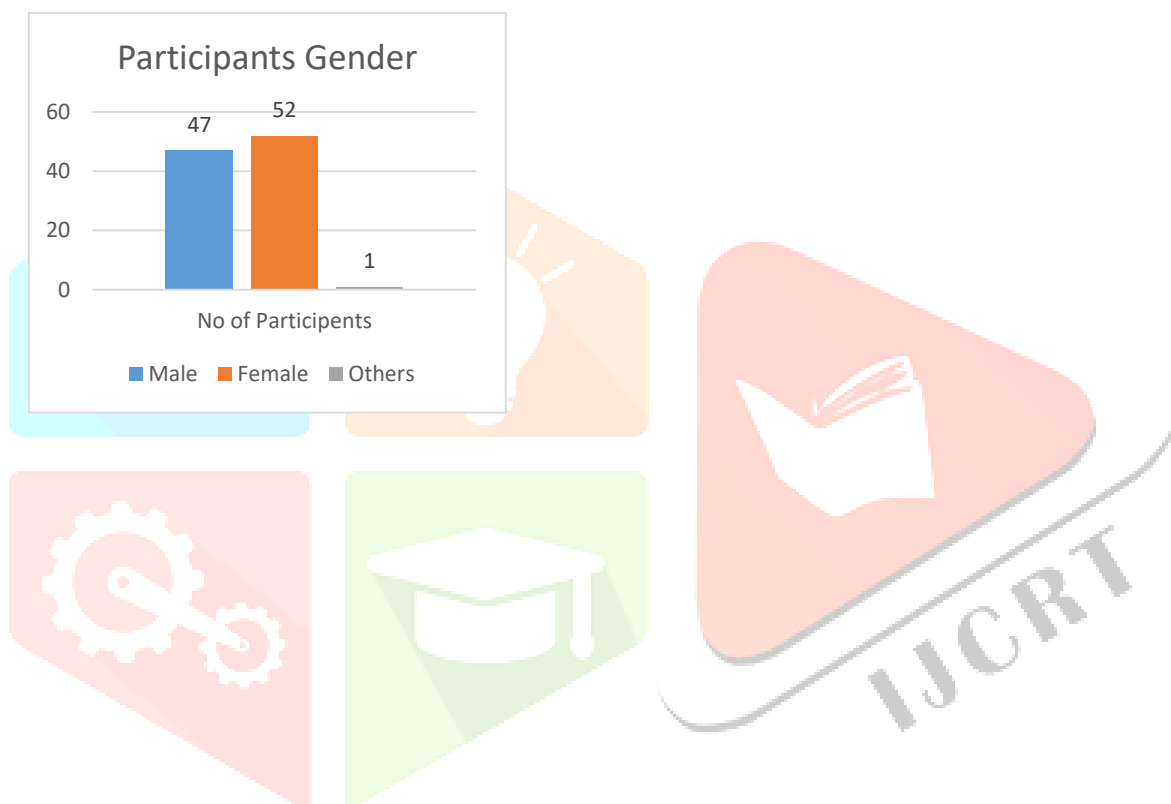


Table 2: Demographic Analysis: Age group of participants

AGE GROUP	18-40	41-60	61-80	80 ABOVE
NO. OF RESPONDENTS	90	09	00	1

Table 3: Demographic Analysis: Education Qualification participants

EDUCATION QUALIFICATION	10TH	12TH	GRADUATION	POST GRADUATION	ILLITERATE	OTHER
NO. OF RESPONDENT	11	22	33	37	6	4

Table 4: Demographic Analysis: Occupation of participants

OCCUPATION	STUDENTS	JOBS	BUSINESSMEN	OTHER
NO. OF RESPONDENT	60	15	07	18

In the above table, out of 100 respondents, there are 47 males, 52 females and 01 transgender. In the 18-40 year age group there are 90 respondents, 41-60 year age group there are 09 respondents, 61-80 year age group there is no respondent and 80 year age group there is 01 respondent only. The educational status of the respondent is:- 10th pass 11 respondents, 12th pass 22 respondents, Graduates 33 respondents, Post-graduates 37 respondents, 6 are illiterate and 4 respondents are in other professional courses. The occupation status of respondents is 60 are students, 15 are in a job, 7 are businessmen and 18 respondents are in another profession.

BANK DO YOU HAVE ACCOUNT	
YES	94
NO	6

In the above table out of 100 respondents, 94 respondents have bank accounts and 6 respondents have no bank accounts.

SATISFIED WITH BANK SERVICE	
YES	75
NO	12
MAYBE	13

In the above table out of 100 respondents, 75 are satisfied with bank service, 12 are not satisfied with bank services and 13 respondents are not clear in their choice.

DO YOU USE INTERNET BANKING	
YES	34
NO	65

In the above table, 34 respondents use Internet banking and 65 are not using Internet banking.

E- BANKING SERVICES	NO. OF RESPONDENTS
TEXT MESSAGE	72
CALL	10
BANKING APPLICATION	7
DEPEND WHICH MODE I SELECT	1
ALL	2

In the above table E-banking services were provided by banks through 72 respondents through text message, 10 respondents through calls, 7 respondents through banking applications and 2 respondents through depend upon which mode he/she selected.

DID E- BANKING SAVE YOUR TIME?	
YES	73
NO	19
MAYBE	06

In the above table, 73 Respondents think e-Banking saves their time, 19 Respondents give maybe an answer they don't know about this, and 6 respondents say that they can't save their time.

TRUST IN ONLINE BANKING	NO. OF RESPONDENTS
YES	54
NO	29
MAYBE	15

In the above table, the respondent 54 respondents trust online banking and 29 are not trust online banking and 15 respondents give maybe answers.

DISADVANTAGE	NO. OF RESPONDENT
WATING TIME	48
COMMUTING DISTANCE	21
OPENING TIME	19

QUALITY OF SERVICES	20
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In the above table of problems faced by respondents in banks, there are 48 respondents who have waiting problems, 21 have distance problems, 19 have problems with the opening time of banks and 20 respondents have quality of services problems.

VISIT YOUR BANK AFTER ONLINE BANKING	NO. OF RESPONDENTS
YES	29
NO	22
SOME TIME	44

In the above table, there are 29 respondents who visit their bank after online banking, 22 don't visit their bank after coming to online banking and 44 respondents sometimes go and sometimes do not go to the bank after coming to online banking.

DO YOU FEEL E- BANKING IS CONSUMERS FRIENDLY?	
YES	79
NO	16

In the above table, there are 79 respondents says e-banking is consumer friendly and 16 respondents say e-banking is not friendly for them and 5 respondent can't give the answer to my question.

OVERALL SERVICE QUALITY	NO. OF RESPONDENTS
EXCELLENT	12
VERY GOOD	22
GOOD	57
POOR	05

In the above table the overall service quality of e-banking, there are 12 says it is excellent, 22 say very good, 57 say good, and the last 5 respondents say the overall service quality of e-banking is very poor.

5.0 Conclusion:

- 1) The present research delved into the realm of e-banking services and its consumer perception in kumuan region of Uttarakhand. Through a quantitative approach and a structured questionnaire, the study investigated various dimensions of consumer perception, ranging from awareness and usage of e-banking services to security concerns and overall satisfaction. The findings provide valuable insights that contribute to understanding consumer behavior in the context of digital banking.
- 2) The demographic analysis revealed a diverse respondent profile, with a significant number of both males and females, primarily falling within the age group of 18-40. The majority of respondents held education qualifications of graduation and post-graduation, and a substantial portion were students, reflecting the younger population's engagement with e-banking.
- 3) The study found that the majority of respondents had bank accounts (94%) and that a considerable number used internet banking services (34%). While a significant proportion (75%) expressed satisfaction with bank services, there was still room for improvement, as 12% were dissatisfied. Trust in online banking was mixed, with 54% trusting it, 29% not trusting it, and 15% remaining uncertain.
- 4) Challenges with e-banking were identified, such as waiting times, distance, opening hours, and service quality, highlighting areas where banks could focus on enhancing the customer experience. The majority of respondents perceived e-banking as time-saving (73%), user-friendly (79%), and offering good overall service quality (57%).

6.0 Recommendations:

Based on the findings, the following recommendations are proposed:

1. **Enhance Security Measures:** Given the mixed trust in online banking, financial institutions should focus on robust security measures and educating customers about the security protocols in place to instill greater confidence in e-banking services.
2. **Improve Service Quality:** Address the challenges related to waiting times, distance, and service quality to ensure a seamless and satisfying customer experience. Implement strategies to reduce waiting times and enhance service quality.
3. **User Education and Awareness:** Conduct awareness campaigns to educate customers, especially older individuals, about the benefits and proper usage of e-banking services. Enhancing awareness can lead to increased adoption and utilization.
4. **Convenience Enhancement:** Continuously improve the user-friendliness of e-banking platforms to ensure they cater to the needs of various age groups and educational backgrounds. Intuitive interfaces and easy navigation are essential.
5. **Trust Building:** Banks should focus on building customer trust by ensuring transparency in their operations, addressing security concerns, and providing clear information about the security measures in place.
6. **Personalized Services:** Tailor e-banking services to cater to different customer segments. Personalization can enhance customer satisfaction and engagement.
7. **Continuous Feedback:** Establish mechanisms for customers to provide feedback about their e-banking experiences. This will enable banks to identify areas for improvement and adapt to changing customer preferences.
8. **Education and Training:** Offer training sessions or workshops to customers to help them understand and effectively use the various features of e-banking platforms. This can increase customer confidence and satisfaction.
9. **Regular Communication:** Maintain regular communication with customers through emails, SMS, or in-app notifications to keep them informed about updates, new features, and security measures.

10. **Innovation:** Invest in continuous technological innovation to keep pace with changing customer expectations and evolving digital trends.

In conclusion, the study provides valuable insights into consumer perceptions of e-banking in the kumuan region of Uttarakhand. The recommendations offered can guide banks and policymakers in enhancing e-banking services to cater to customer needs and expectations more effectively, fostering greater adoption and satisfaction among users.

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