



AN EMPIRICAL STUDY ON INVESTORS' PERCEPTION TOWARDS E-BANKING, KARNATAKA GRAMINA BANK, BALLARI

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Abstract: This paper contains the perception of customers towards E-banking services provided by Karnataka Gramina Bank, Ballari, which results the feedback of customers banking with using E-banking services, where the purpose of using services majorly mentioned for transfer of funds and E-investment and also E-shopping. The result of the study portrays the customers are feeling user friendly services with having safety and security related faith towards services of banking.

I. INTRODUCTION

In an era marked by relentless technological advancements, the financial industry has undergone a profound transformation. One of the most notable developments in this domain is the widespread adoption of electronic banking, or E-banking, which has revolutionized the way individuals and businesses manage their finances. E-banking encompasses a wide range of online financial services, including internet banking, mobile banking, and electronic payment systems, providing customers with unprecedented convenience, accessibility, and flexibility in managing their financial affairs. This transformation has not only changed the landscape of traditional banking but has also elicited various responses from investors. Whose perceptions and attitudes toward E-banking can significantly impact the success and future of this digital financial landscape.

The present study delves into the empirical investigation of investor's perception towards E-banking. Investors play a pivotal role in the financial markets, as they allocate capital and influence the growth of financial institutions. Their perception of E-banking services carries substantial weight, given the potential impact on their investment decisions, portfolio diversification, and overall trust in financial institutions.

Understanding investors' attitudes, preferences, and concerns related to E-banking is not only relevant for financial institutions seeking to enhance their services and attract more investments but also pertinent to policymakers and regulators tasked with shaping the future of the financial sector. This empirical study aims to shed light on the factors that drive or hinder investor adoption of E-banking services, the level of confidence they place in these digital platforms, and the implications for their investment choices.

The exploration of this topic will provide valuable insights into the dynamics of the financial industry, bridging the gap between technology-driven innovations and investor sentiments. By examining these perceptions, this research seeks to contribute to a deeper understanding of how E-banking is shaping the financial landscape and the multifaceted implications it has for both investors and the industry as a whole.

LITERATURE REVIEW:

1. M. Sadiq Sohaila & Baachadran Shanmugham (2003): An empirical study on E-banking customer preference. The objective of the study is to determine the basic demographic factors influence the internet banking users, to check the adoption of E-banking and to study on there is any difference between internet and non-internet users relating to different factors. This research is concluding that some of the major factors affecting of the internet banking services.
2. Divya Singhal and V. Padhmanabham 2008: This study is focused on exploring the major factors is responsible for internet banking. Study also tries to examine whether there is any relation with the demographic variable and respondents' perception about internet banking and whether the user and nonuser perception differs. The analysis done with the help of statistical tools clearly indicate the factors responsible for internet banking.
3. Nadim Jahangir and Noorjahan Begum (2008): The investigation on the row of perceived usefulness and customer attitude towards adoption of electronic banking. The present study presents a theoretical framework that considers how perceived helpfulness, ease of use, and security and privacy affect customer amendment to E-banking service through customer attitude.
4. Ahmed Zak Hj Isaiml (2009): An empirical study on issues of E-banking transaction in Malaysian bank. The study is focused on determinants the factors of consumer perception towards E-banking transaction in internet banking in Malaysian bank consumer. Based on the findings the bank responded and managed to reveal problem information to understand and evaluate the opinion and suggestions. The findings from research covered the intention of the customer on internet banking. These findings are very helpful to the improving the banking facilities.
5. Jannatul Mawa nupur (2010): The study is focused on performance of the Ebanking and to find out the problem on E-banking activities to satisfy the customers of E-banking and to identify the benefits from the customer point of view. The study concludes that there is a relation between customer.
6. Musim A & Ramadhan N (2011): The investigation on what are the factors influence acceptance and customer satisfaction toward internet banking services. The research revealed the positive response from the respondent towards E-banking services it will increase the value of banks and the improving the creative and innovative facilities of the internet banking by banks towards E-banking.
7. Vijay M Kumbhar (2011): Investigation on factors affecting customer satisfaction in E-banking impact of the service quality on customer satisfaction impacts of the brand perception and the perceived value of E-banking on customer satisfaction. This research is attempted to examine a contribution on service quality on customer satisfaction. The study indicates that the overall significant variables are good for the overall satisfaction of the customer.
8. Dr. Ala'Eddin Mohd Khalaf Ahmed (2011): Investigated on E-banking functionality and outcomes of Customer satisfaction. The study is focused on adoption of E-banking factors in the Jordanian commercial banks and which are the factors are responsible for adoption of the E-banking services.
9. Shah Ankit (2011): Investigated the factors influencing online banking customer satisfaction and their importance in improving overall retention level E-banking customer, this research reveal that needs followed by the core services, problem resolution, cost saved, convenience, risk and privacy these are the main factors that strongly affect overall satisfaction of the customer. By the end of this research, he has added that proactive "providing consumer education" and internet banking is friendly customer services improving the consumer confidence and the overall customer satisfaction.
10. Mallika Rani (2012): investigated on customer perception towards E-banking, the study of the objective focused on the perception of the respondent towards E-banking and measure the satisfaction of the customer. According to the result of the study both countries are different education and unemployment in the countries.
11. Ms. Fozia (2013): A comparative study on customer perception towards Ebanking services provided by the banks in India. The study is focused on the customer perception towards E-banking and also focused on whether the demographic variable is influenced by the customer satisfaction on E-banking. This study is analyzed that the overall customer perception towards E-banking and the age and occupation these are the major demographic factor to measure the customer perception towards E-banking services provided by the bank and the banker have to satisfy the customer need.
12. Majharu Talukder, Muhammad Khalilur Rahaman (2014): Investigation on factors affecting customer perception towards online banking in Malaysia. The main aim of the study is to examine the significant of the customer perception towards E-banking. The findings of this research is the consumer trust was the important significantly affect all other variables.

STATEMENT OF THE PROBLEM

The problem addressed in this project is the customer perception towards E-banking services, which has shown signs of dissatisfaction and skepticism among customers. Despite the advancements and convenience offered by E-banking services, there exists a gap between customer expectations and the actual experience provided.

This gap has led to concerns about security, reliability, user-friendliness, and overall customer satisfaction. Therefore, the objective of this project is to identify the key factors influencing customer perception towards E-banking services and propose strategies to improve customer satisfaction and confidence in using these services.

The conceptual framework of customer perception towards E-banking is a theoretical framework that helps understand and analyze how customers perceive and evaluate electronic banking services. It consists of various factors that influence customers' perceptions and attitudes towards E-banking. Here is a general conceptual framework that can be used as a basis for understanding customer perception towards E-banking.

OBJECTIVES OF THE STUDY

1. To study about the adoption and usage behavior.
2. To evaluate the trust and security perceptions.
3. To assess customer satisfaction level.

RESEARCH METHODOLOGY

This study focused customer perception towards E-banking in Karnataka Gramina Bank Swamihalli. The study's objective was accomplished through the collection and analysis of primary data obtained from a sampling technique. The sample size of respondent is 100. This sample is collected from friends, relatives, co-workers, business man, and customers of the bank. These are all example of convenience sampling. The research methodology is largely based on extensive literature review and is based on exploratory research followed by Descriptive analysis. The collection through Questionnaire, which is based on both open ended and closed ended questions. The questionnaire is based on **Likert scale**.

COLLECTION OF DATA

Primary Data:

The primary data is collected using descriptive structured questionnaire. The questionnaire is designed in a systematic manner covering adequate and relevant questions which is useful to the study. Sample: **Convenience sampling**.

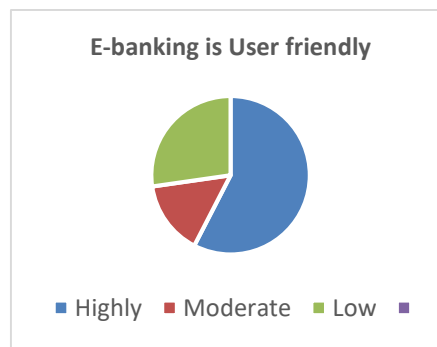
ANALYSIS & INTERPRETATION

Table 1: Showing whether E-banking is user friendly

Sl no	Options	No. of Respondents	Percentage
1	Highly	57	57
2	Moderate	15	15
3	Low	27	27
	Total	100	100

Analysis:

It has been analyzed that the customer is highly user friendly at 57%, moderate is 15% and low level of user friendly is 27% of the respondents



Interpretation:

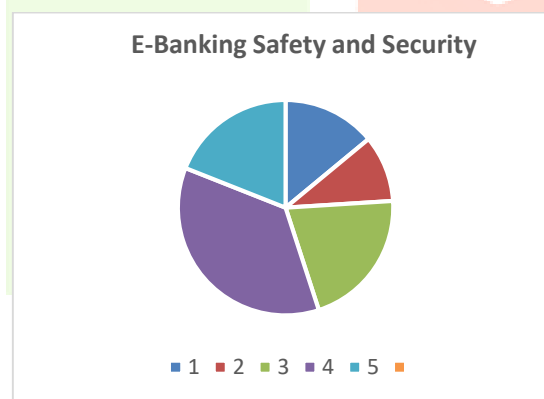
As per the survey 57% of the respondents using E-banking is user friendly as per their knowledge and rest of them are having difficulty in using E-banking services as user friendly. Least of the above is lower user of the E-banking services because, they are not aware about the E-banking services.

Table 2: Showing the rate of the opinion of E-banking safety and Security.

Sl no	Options	No. of Respondents	Percentage
1	1	14	14
2	2	10	10
3	3	21	21
4	4	36	36
5	5	19	19
	Total	100	100

Analysis:

It has been analyzed that 14% of the respondents of them are rated this as 1, about E-banking safety and security in the E-banking services in our bank, 10% is 2, 21% of the rate this as 3, 36% of they are rate this as 4, rest are strongly agreed about the services.



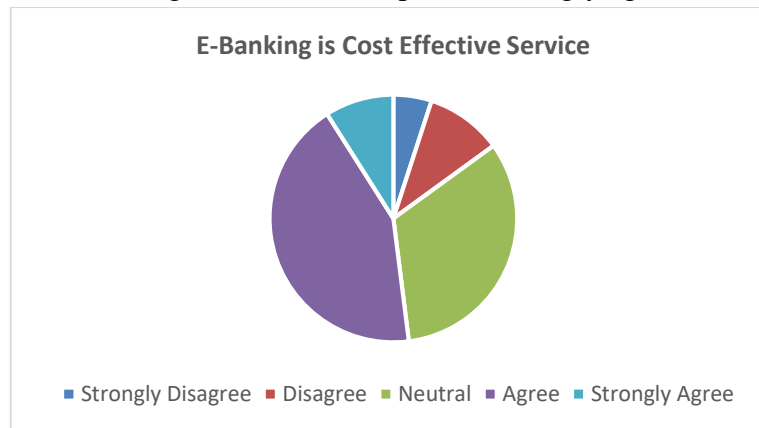
Interpretation: As per the survey the most of the respondents agree about the E-banking services.

Table 3: Showing whether E-Banking is Cost Effective Service

Sl no	Options	No. of Respondents	Percentage
1	Strongly Disagree	5	5%
2	Disagree	10	10%
3	Neutral	33	33%
4	Agree	43	43%
5	Strongly Agree	9	9%
	Total	100	100%

Analysis:

It has been analyzed that 5% of the respondents opted as strongly disagree, 10% of the respondents opted as disagree, 33% are neutral, 43% are agree and 9% are opted as strongly agree with the effective services.

**Interpretation:**

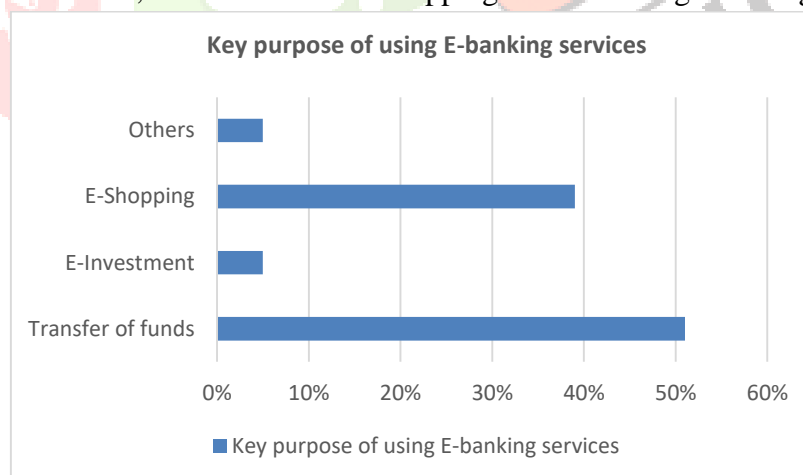
As per the survey most of the respondents are agree with the bank provide a cost-effective service to the customer.

Table 4: Showing what is the Key purpose of using E-banking services by you.

Sl no	Options	No. of Respondents	Percentage
1	Transfer of Funds	51	51%
2	E-Investment	5	5%
3	E-Shopping	39	39%
4	Others	5	5%
	Total	100	100%

Analysis:

It has been analyzed that 51% of frequency of respondents using these services for transfer of funds, frequency 5% are using it for E-investment, 39% of are for E-Shopping and remaining are using for other services.

**Interpretation:**

As per the survey majority of the customers are using E-banking services for transfer of funds.

Findings:

- ☞ Investors are using E-banking services regular basis to invest in various stock market.
- ☞ E-banking is highly depending technology, such as server, network and software but it failed sometime. The investors may be worry of such technologies risk and their potential impact on reliability and availability of E-banking.
- ☞ Limited cash transactions condition is very challenging for the users of E-banking services. Users may still need to visit physically to branches or ATM for the services.
- ☞ Lack of network in some demographic areas on that time or therein remote areas with limited internet access may face challenges in adopting E-banking services.
- ☞ Lack of personal interaction: E-banking lack the face-to-face interaction with the bank personnel that traditional banking offer.
- ☞ Some of the customer prefer the personalized assistance and human touch when dealing with complex financial matters for the advice.
- ☞ Investors trust E-banking security and safety and also, they getting a fear about the hacking, identity theft the customer personal and financial information can be at risk

Suggestions:

E-banking is not widely used in rural areas due to a lack of understanding. Banks should take the requisite steps to educate their customers about the different available E-banking services, as well as the benefits of using those services. Customers should be sent demonstrations of E-banking to encourage them to use it. Banks should concentrate on cyber security problems including sensitive identities that are susceptible to misuse in the cyber environment.

The cost of accessing internet banking services should be reduced to maximize the number of people who use the service. The E-banking infrastructure should be improved to make online inquiry and payment even more convenient.

Conclusion

1. The bank's service quality has increased as a result of electronic banking. The majority of respondents agree with the statement, indicating that the efficiency of online banking services has increased.
2. The level of E-banking customer satisfaction in Ballari city is strongly linked to convenience as a predictor of E-banking services.
3. The satisfaction levels of customer of the Karnataka Gramin Bank in Swamihalli E-banking customers are strongly linked to security and protection.

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