CUSTOMER BEHAVIOUR TOWARDS INTERNET BANKING SERVICES

[1]P. BALASUBRAMANIAN, [2]K. KALIDOSS

[1]Ph.D Research Scholar (PT), Department of Commerce, AVC College (Autonomous), Mannampandal, Mayiladuthurai-609305, Nagapattinam,
[2]Dr. M.Com., Ph.D., Research Guides Assistant Professor in Commerce A.V.C. College (Autonomous) Mannampandal, Mayiladuthurai.
E-mail:baludaac@gmail.com

Abstract- Internet banking services first come into view in the early 1990's, when telephone banking, credit card and ATM services are three important applications. In the last decade, information system, database and other technologies are applied into services in the banking at various levels. The availability of e-banking services, internet facility is now conducted through a secure website operated by local banks and includes online enquiry, e-payments, e-transfer and the like. This article paper highlights that customer behaviour towards internet banking services.

Keywords- Customer Behaviour, Internet Banking, Banking Services, Banking Systems

I. INTRODUCTION

Banks play a very important role in the Indian financial market as they are the biggest purveyors of credit and attract most of the savings from the population. Banking is necessary for the economic development of all the nations of the world because a developed banking system holds the key as well as serves as a barometer for the economic health of a country. Banking Industry is one of the most successful and strong industry of our country.
The banking industry is considered a service oriented Industry. It renders manifold services to the customers. Effective customer service is the center to all business operations and also plays an integral part in the growth strategy of the Banking Industry. Present scenario focuses, the environment of cut-throat competition, where private and foreign banks are leaving no stonesunturned to attract new customers and existing customers of the banking sector to their turf, customer retention has become the key to the survival of national and international banks.

II. INTERNET BANKING

Online banking allows its user to perform a number of banking activities, which are usually conducted through a local branch, at the comfort of one's choice by using the internet. Internet banking is a more commonly used phrase for online banking and throughout the remaining of this dissertation these two terms have the same meaning and are thus used interchangeably.

III. REVIEW OF LITERATURE

Vijay M. Kumbhar (2011) in his research article paper "factors affecting the customer satisfaction in e-banking: some evidences form Indian banks". The service factors of quality, brand perception and perceived value are affecting the customers' satisfaction in the e-banking services are evaluated in their study. It also evaluates influence of quality of services, perceived value and satisfaction in e-banking. Required data was collected through customers' survey. The survey is based on likert's scale and the questionnaire has developed after review of literature and discussions with experts in customer service, bank managers and marketing personal.

Anil Kumar and Manoj Kumar Dash (2013) in their study "constructing a measurement in service quality for Indian banks: structural equation modeling approach"...The aim of this paper is to construct a measure in service quality for Indian banks and establishes a causal relationship of service attributes performance with customer satisfaction. The SERVQUAL model is used. The quantification of service quality led to the attempt to construct an index. The index is constructed using Structural Equation Modeling (SEM) and American Customer Satisfaction Index (ACSI) as the underlying frameworks. The analysis is based on data of 200 bank customers from the Delhi NCR. An adapted ACSI is enhanced and improved to accommodate two exogenous constructs. The results indicate that service quality variables are important antecedents of customer satisfaction and retention.

Nisha Malik and Chand Prakash Saini (2013) in their research titled on "Private Sector Banks Service Quality and Customer Satisfaction" A Empirical Study two Private Sector Banks". This study is an effort to examine the relationship between service quality and customer satisfaction of two private sectors bank of India. Servicequality has been described as a form of attitude that results from the comparison of prospect with recital argued that

customers, while evaluating the quality of service, compare the service they expect with perceptions of the services they actually receive. Since financial products offered by various banks are similar by nature then why any particular bank of product of any bank is preferred than others a matter of interest for academician as well as banking industry. They may be difference between customers of public and private sector banks, but why are two banks of one sector being preferred differently by customers. This research study is an effort to find out the answer of these questions.

Rakesh H M and Ramya T J (2014) in their research paper titled "a study on factors influencing consumer adoption of internet banking in India" tried to examine the factors that influence internet banking adoption. Using PLS, a model is successfully proved and it is found that internet banking is influenced by its perceived reliability, Perceived ease of use and Perceived usefulness. In the marketing process of internet banking services marketing expert should emphasize these benefits its adoption provides and awareness can also be improved to attract consumers' attention to internet banking services.

Shaza W. Ezzi (April 2014) in their research paper titled "a theoretical model for internet banking: Beyond Perceived Usefulness and Ease of Use" tried to inquired different types of electronic banking like ATM's, telephone banking, and electronic funds transfer, Internet banking like has evolved from consumers' needs to have superior access to banking services clear of most banks teller-staffed, normal operating hours. Additionally, Internet banking has grown swiftly from the recent and the span increases in ecommerce. Internet banking (IB) continues to govern the landscape of electronic banking as consumers continue to use IB to complete schedule banking transactions in addition to conducting on-line sales and purchasing. This study presents a theoretical model considered to help researchers and practitioners better understand the acceptance and adoption of internet banking.

IV. OBJECTIVES

The following objectives are as under:

1. To assess the customer behaviour with the current internet banking facilities.
2. To find the most important factor that is inducing people towards internet banking services.

V. TESTING OF HYPOTHESES

Following are the results of hypotheses framed and testing:

H01: There is no significant difference between demographic variables of the respondents and their satisfaction in the internet banking services.

VI. METHODOLOGY

This is a study on the e-banking service of both public and private sector banks and the banks selected for this study are Commercial banks, the first being the convenience during the research, mainly from the same town i.e., Nagapattinam district and second being the diversity of the banks and their prominence in their respective sectors. Identification of problem, Relevance and Need of the Research is evident from the review of literature, that e-banking has emerged to be beneficial the customers.

Sample Design

The sample size of this study is 200 and questionnaire method is used for data collection. The personally meet the respondents inside and outside the banks. For latest information are also visited public and private sector banks personally. The information was collected and analysis according to respondent socio economic background included the factor of education, age, income, marital status and so on.

Data Collection

The data is collected both primary as well as secondary sources. The primary date was collected by through questionnaire. The secondary data was collected from the journals, publication, books at different sites on interne

Age of the Respondents

The age category of respondents in the consumer behaviour towards internet banking has been presented in the Table 1.

Table 1 Age of the Respondents

Age	No. of Respondents	Percentage
18 to 25 years	44	22.00
26 to 30 years	63	31.50
31 to 40 years	37	18.50
41 to 50 years	24	12.00
51 to 60 years	19	9.50
Above 60 years	13	9.00
Total	200	100.00

Source: Primary data

From the Table 1 shows that, the age category of 26 to 30 years are constitutes a highest of 31.50 per cent of the respondents, followed by 18 to 25 years

constitutes 22 per cent, 31 to 40 constitutes 18.50 per cent and age category of 41 to 50 years constitutes 12 per cent of respondents/ The age category of 51 to 60 years and age category of above 60 years constitutes 9.50 per cent and 9 per cent respectively towards the respondents in the consumer behaviour towards internet banking.

Gender Wise Respondents

The gender of respondents in the consumer behaviour towards internet banking has been presented in the Table 2.

Table 2 Gender of the Respondents

Gender	No. of Respondent	Percentage
Male	117	58.50
Female	83	41.50
Total	200	100.00

Source: Primary data

Table 2 shows that, 117 respondents are male and 90 respondents are female of which constitutes 58.50 per cent and 41.50 per cent respectively towards the respondents of in the internet banking.

Education Wise Respondents

The education of respondents in the consumer behaviour towards internet banking has been presented in the Table 3.

Table 3 Education of the Respondents

Education	No. of Respondents	Percentage
High School	11	5.50
Intermediate	27	13.50
Graduate and Professional	91	45.50
Master Degree	71	35.50
Total	200	100.00

Source: Primary data

Table 3 clear indicates that, out of 200 respondents, 5.50 per cent are in the educational qualification high school, 13.50 per cent respondents are in the educational qualification of intermediate, 45.50 respondents are in the educational qualification of graduate and professional and 35.50 per cent of the respondents are in the educational qualification of master degree towards the respondent education qualification in the internet banking.

Marital Status of the Respondents

The marital status of respondents in the consumer behaviour towards internet banking has been presented in the Table 4.

Table 4 Marital Status of the Respondents

Marital Status	No. of Respondents	Percentage
Married	87	43.50
Unmarried	93	46.50
Widowed	7	3.50
Divorced	13	6.50
Total	200	100.00

Source: Primary data

From the Table 4 depicts that, out of 200 respondents, 43.50 per cent of the respondents are married, 46.50 per cent of the respondents are unmarried, 6.50 per cent of the respondents are widowed, and 6.50 per cent of respondents are divorced towards the respondent marital status in the internet banking. It shows that most of the respondents are in the survey is married.

Occupation of the Respondents

The occupation of respondents in the consumer behaviour towards internet banking has been presented in the Table 5.

Table 5 Occupation of the Respondents

Profession	No. of Respondents	Percentage
Government Employee	73	36.50
Private Employee	64	32.00
Businessman	39	19.50
Student	11	5.50
Homemaker	13	6.50
Total	200	100.00

Source: Primary data

Table 5 shows that, out of total 36.50 per cent of the respondents are employed in the government sector. 32 per cent of the respondents are in the private sector, 19.50 per cent of the respondents are businessman, 5.50 per cent of the respondents are students and 6.50 per cent of the respondents are homemaker. It shows the most of the respondents of our survey are employed in the Government sector.

Monthly Income of the Respondents

The monthly income of respondents in the consumer behaviour towards internet banking has been presented in the Table 6.

Table 6 - Monthly Income of the Respondents

Monthly Income	No. of Respondents	Percentage
Rs.10,000 to Rs.20,000	61	30.50
Rs.20,001 to Rs.30,000	37	18.50
Rs.30,001 to Rs.40,000	39	19.50
Rs.40,001 to Rs.50,000	30	15.00
Above Rs.50,000	33	16.50
Total	200	100.00

Source: Primary data

Table 6 depicts that, a maximum of 30.50 per cent of the respondents are in the income category of Rs.10.000 to Rs.20,000, followed by 19.50 per cent of the respondents are in the monthly of Rs.30,001 to Rs.40,000, 18.50 per cent of the respondents are in the monthly of Rs.20,001 to Rs.30,000, 16.50 per cent of the respondents are in the monthly of above Rs.50,000 and 15 per cent of the respondents are in the monthly of Rs.40,001 to Rs.50,000. It shows that, the respondents income of below Rs.20,000 is more and other income category is more or less equal distributed among the respondents in the internet banking.

Type of Banks

The type of bank of respondents in the consumer behaviour towards internet banking has been presented in the Table 7.

Table 7 - Type of Banks

Banks	No. of Respondents	Percentage
Public banks	100	50.00
Private banks	100	50.00
Total	200	100.00

Source: Primary data

Table 7 shows that, the respondents are equally distributed in the public sector banks and also in the private sector banks of the customer in the internet banking.

Bank Services /Facilities

The bank services in the consumer behaviour towards internet banking have been presented in the Table 8.

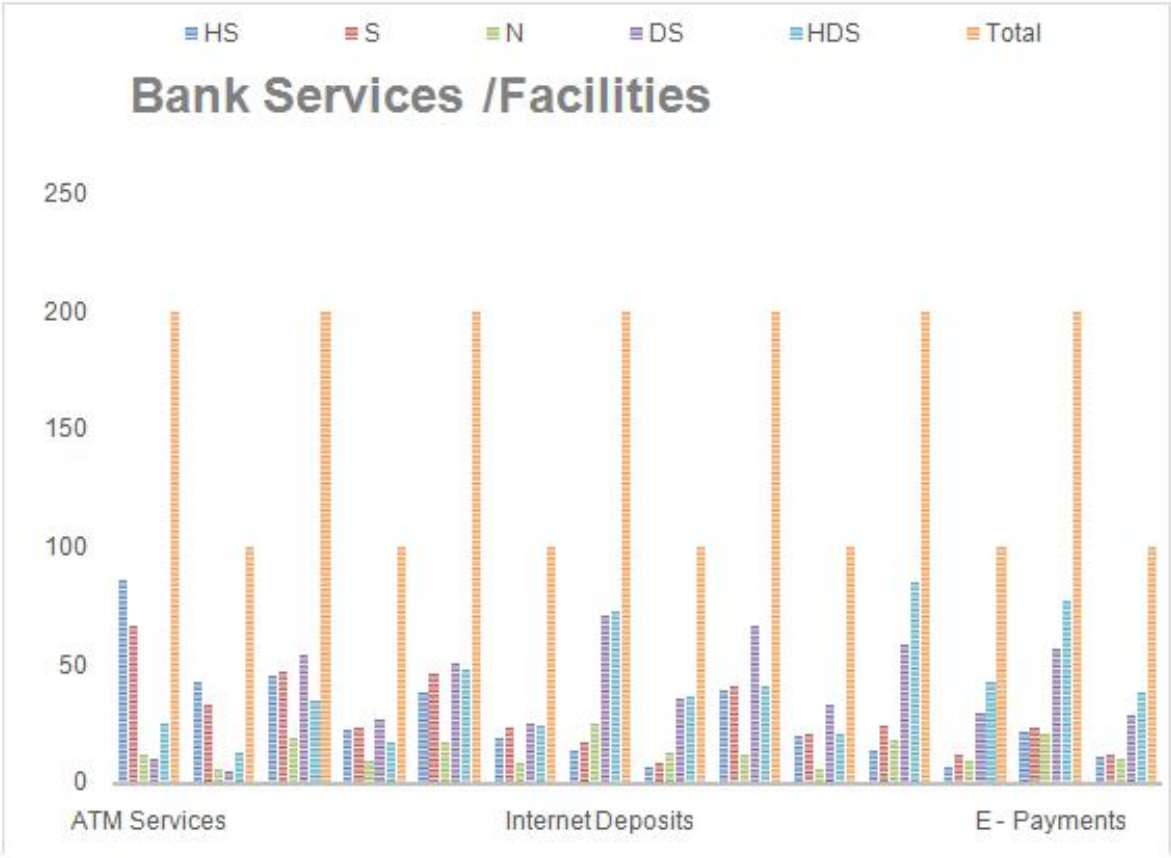
Table 8 - Bank Services /Facilities

Bank Services /Facilities	HS	S	N	DS	HDS	Total
ATM Services	43.00	33.50	6.00	5.00	12.50	100.00
Mobile banking Services	45	47	19	54	35	200
	22.50	23.50	9.50	27.00	17.50	100.00
Net Banking	38	46	17	51	48	200
	19.00	23.00	8.50	25.50	24.00	100.00
Internet Deposits	14	17	25	71	73	200

	7.00	8.50	12.50	35.50	36.50	100.00
Credit / Debit Card Services	39	41	12	67	41	200
	19.50	20.50	6.00	33.50	20.50	100.00
EFT/NEFT/RTGS	14	24	18	59	85	200
	7.00	12.00	9.00	29.50	42.50	100.00
E - Payments	22	23	21	57	77	200
	11.00	11.50	10.50	28.50	38.50	100.0

Source: Primary data

The Table 8 clearly shows that, the satisfaction of banking services a maximum of 43 per cent of the respondents are highly satisfied and 33.50 per cent of the respondents are satisfied with the ATM services. The respondents of 22.50 per cent and 23.50 per cent are highly satisfied and satisfied respectively with mobile banking services. However, the highest dissatisfaction found in the EFT/NEFT/RTGS, E-Payments and internet deposits services among the respondents.



Testing of Hypotheses

H01: There is no significant difference between demographic variables of the respondents and their satisfaction bank services.

Table 9 - One Way ANOVA for Demographics and Satisfaction of Bank Services /Facilities

Demographic		N	Mean	S.D.	Std. Error	95% Confidence Interval for Mean		F-Value	Sig.
						Lower Bound	Upper Bound		
Age	18 to 25 years	44	19.886	4.150	0.626	18.625	21.148	3.688	0.003*
	26 to 30 years	63	18.127	4.401	0.555	17.019	19.235		
	31 to 40 years	37	19.730	2.557	0.420	18.877	20.582		
	41 to 50 years	24	21.083	4.085	0.834	19.358	22.808		
	51 to 60 years	19	17.105	3.914	0.898	15.219	18.992		
	Above 60 years	13	20.462	4.502	1.249	17.741	23.182		
	Total	200	19.220	4.117	0.291	18.646	19.794		
Education	High School	11	19.000	5.158	1.555	15.535	22.465	1.286	0.281
	Intermediate	27	18.074	3.594	0.692	16.652	19.496		
	Graduate and Professional	91	19.088	3.852	0.404	18.286	19.890		
	Master Degree	71	19.859	4.546	0.540	18.783	20.935		
	Total	200	19.220	4.164	0.294	18.639	19.801		
Marital Status	Married	87	18.851	3.913	0.420	18.017	19.685	2.825	0.040*
	Unmarried	93	19.140	4.190	0.434	18.277	20.003		
	Widowed	7	19.000	2.646	1.000	16.553	21.447		

	Divorced	13	22.385	5.268	1.461	19.201	25.568		
	Total	200	19.220	4.164	0.294	18.639	19.801		
Occupation	Government employee	73	18.397	4.424	0.518	17.365	19.430	5.738	0.001*
	Private employee	64	20.750	3.746	0.468	19.814	21.686		
	Businessman	39	19.282	4.019	0.644	17.979	20.585		
	Student	11	15.364	1.804	0.544	14.152	16.576		
	Homemaker	13	19.385	3.501	0.971	17.269	21.500		
	Total	200	19.220	4.164	0.294	18.639	19.801		
Income	Rs.10,000 to Rs.20,000	61	19.098	4.085	0.523	18.052	20.145	3.228	0.014*
	Rs.20,000 to Rs.30,000	37	17.730	3.769	0.620	16.473	18.986		
	Rs.30,000 to Rs.40,000	39	18.974	3.587	0.574	17.812	20.137		
	Rs.40,000 to Rs.50,000	30	19.467	4.554	0.831	17.766	21.167		
	Above Rs.50,000	33	21.182	4.447	0.774	19.605	22.759		
	Total	200	19.220	4.164	0.294	18.639	19.801		

Source: Computed from primary data
***Significant at five per cent level**

It is clearly from the Table 9 shows the calculated F value of 3.688, 2.825 5.738, and 3.228 is significant at five per cent level. The value indicates that there is a significant difference in the age, marital status, occupation and income of the respondents with respect to the usage of services. Hence, the stated hypothesis of "there is no significant difference between demographic with respect to satisfaction in the usage of services" is rejected. However, the calculated F value of 1.286 is not significant. The value indicates that there is a significant difference in the education and the usage of services. Hence, the stated hypothesis of "there is no significant difference between demographic with respect to satisfaction in the usage of services" is accepted. Further, the mean value indicates that age category of above years are having more satisfaction the usage of services.

Similarly the marital status of divorced, occupational category of private sector and income category of above Rs.50,000 are having more satisfaction the usage of services.

Table 10 - T test for Gender and Satisfaction of Services /Facilities

Gender		N	Mean	S.D.	Std. Error	95% Confidence Interval of the Difference		T - Value	Sig.
						Lower	Upper		
Gender	Male	117	19.778	4.255	0.393	0.178	2.510	2.304	0.022*
	Female	83	18.434	3.924	0.431	0.193	2.495		

Source: Computed from primary data
*Significant at five per cent level

It is observed from the Table 10 shows the calculated T value of 2.304 is significant at five per cent level. The value indicates that there is a significant difference in the gender of the respondents and the usage of services. Hence, the stated hypothesis of "there is no significant difference between demographic and the satisfaction in the usage of services" is rejected.

Further, the mean value indicate that the male category of respondents are having more satisfaction in the usage of services.

SUGGESTIONS AND RECOMMENDATIONS

- A study can be dedicated to Internet banking services and the impact of this important Internet activity on buying behaviour of Internet users.
- Establishment of a proper maintenance system and mechanism to avoid break down of ATM machines and equipment, providing convenient services for the consumers, signifies the importance of E-Banking tools for the Bankers and can help in improving E-Banking image in the minds of consumers.
- The information passed on to customers at awareness events will increase their comfort level and make them knowledgeable of their rights and responsibilities.

CONCLUSION

The present article paper showed that customers of internet banking services still has some concern about technical issues in implementation of internet banking such as security concern, easy to access to services, infrastructure at the internet banking implementation in Tamil Nadu needs improvement. Banks should be practice in creating more awareness about internet banking products in the public.

REFERENCES

[1] Bismark Ameyaw and Eric Ashalley (2015), A study on Electronic Banking and Customer Satisfaction, volume 20, No. 2, p.12.
[2] Dixit, N. and S. K. Datta (2010), Acceptance of E-Banking among Adult Customers: An Empirical Investigation in India, Journal of Internet Banking and Commerce, Volume 15, No. 2, p. 2
[3] Geeta K. T. and V. Malarvizhi (2006), Acceptance of e-banking among customers, Volume 12, No. 1, pp. 78-82.
[4] Safeena , Rehmath (2014), Customer perspective on E-Business Value: A case study on Internet Banking ,Volume 1 , No. 1, p. 1.
[5] Sharma, H. (2011), Banker's Perspective on E-Banking, NJRIM, Volume 1, No. 1, p.1.

★★★