

A STUDY ON INDIVIDUALS BEHAVIOUR TOWARDS E-BANKING AND M-BANKING IN BHUBANESWAR CITY

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Abstract

Modern era of technological advancement bring innovative way of delivering service to the customers. Internet has become a common platform for satisfying the customers. Internet banking generally includes online banking, mobile banking and Automatic Teller Machines etc. All the banks are proving facilities through online mechanism to their customers and are investing huge amount in acquiring the ICT technology in their work. But a question arises are the customers really aware regarding usage of this ICT technology for performing banking transactions, are the banks making efforts to literate their customers regarding internet banking. It has been found that very few customers are there who are aware regarding usage of ICT technology for availing banking services. So is it the responsibility of the banks to make literate their customers for using online banking services. Proper mechanism to provide information regarding usage of online banking at branch level in all banks must be initiated. Frequent online banking training sessions should be conducted by the bank for their customers. Online banking training sessions should be organized by the banks in colleges and institutions providing higher education. This will encourage youths to use online banking. Public relations officers should be given an additional duty of making aware the customers to go for E-banking and M-banking.

Key Words: Internet banking, Mobile banking, online, Technology, individuals

1. INTRODUCTON

Modern era of technological advancement bring innovative way of delivering service to the customers. Internet has become a common platform for satisfying the customers. Internet banking generally includes online banking, mobile banking and Automatic Teller Machines etc. Internet banking is like a magic lamp for the customers. Customers by sitting at home or at the work place can perform all the banking transactions. Mobile banking is also promoted by developing apps by banks.

All the banks are proving facilities through online mechanism to their customers and investing huge amount in acquiring the ICT technology in their work. But a question arises are the customers really aware regarding usage of this ICT technology for performing banking transactions, are the banks making efforts to literate their customers regarding internet banking. It has been found that very few customers are there who are aware regarding usage of ICT technology for availing banking services. The reason is lack of awareness and fear among customers. So is it the responsibility of the banks to encourage the individuals to choose modern banking over traditional banking.

2. CONCEPT OF E-BANKING

In the era of technological encroachment, banking practices and delivery of services have been shifted from traditional banking to modern banking. Previously, banks largely depended on physical mode of banking services. But now banks are switchover to online delivery of services like E-transfer of funds, E-payments, fully informative websites for customers, Electronic withdrawals, etc. E-banking is the innovative form of traditional banking where all the traditional banking practices offered to customers through online approach. Now E-banking is the part of core banking system which encourages the customers to go for "Virtual instead of Physical". Usually E-banking is used interchangeably as internet banking or online banking in the banking system. Through online banking the customers can go for different banking transactions and also able to receive all desired details of the transactions as well as account information. Subsequently banks are now offering delivery of bank statements to its customer both online and off line. Now customers can directly download their banking statements from the software too. More over internet banking is creating the path for

sustainable and green banking practices which include less paperwork, cost reduction, and fastest delivery of information.

3. CONCEPT OF MOBILE BANKING

Mobile banking is the most recent virtual banking system where banks as well as financial entities can offer their services to customers by introducing their own software and mobile application. It is a 24*7 working system and always available to provide services as and when required. Several financial bodies put certain restrictions on operation of accounts that which account is allowed for mobile banking and also put a limit on amount of fund to be transferred. The category of accounts which can be used for mobile banking is the account where information on available balance, customer's information, funds transactions, etc. can be derived easily. Mobile banking is the most convenient way of providing banking services which reduce the transactions cost as well as save time. It is the virtual banking activity where both bank and customer can enter easily into a financial transaction immediately. It also makes the delivery of banking services smooth and comfortable for the customers as they don't have to come to the bank again and again. By sitting at home they can fulfill their banking need.

4. OBJECTIVES OF THE STUDY

1. To find out awareness pertaining to E-banking and M-Banking Services.
2. To find out reasons for lack of awareness towards virtual banking services.
3. To study the challenges involved in online banking services.

5. METHODOLOGY

In the present study the researcher has adopted convenience method in selecting the sample. Sample selected are administered with questionnaire. The questionnaire contains profile of respondents and questions on E-banking and Mobile banking services. A sample size of 50 customers of Punjab National Bank (PNB) and 50 customers from SBI have been selected for the study. The study is conducted in Akola city which has equal proportion of private and public sector banks. Percentage method is adopted for analyzing the data.

6. DATA ANALYSIS AND INTERPRETATION

Table 1: Summary Profile of Demographic Features of Respondents

Demographic Variables	Sub Components	No. of Customers	% of Response
Gender	Male	68	68%
	Female	32	32%
	Total	100	
Education	CBSE	17	17%
	HSC	13	13%
	Graduate	33	33%
	Post Graduate	37	37%
	Total	100	
Annual Income	Upto 1 Lakh Rs.	47	47%
	Between 1 to 3 Lakh Rs.	40	40%
	Between Rs. 3 Lakh and above	13	13%
	Total	100	
Occupation	Student	20	20%
	Housewife	10	10%
	Service	40	40%
	Businessman	30	30%
	Total	100	
Bank	PNB	50	50%
	SBI	50	50%
	Total	100	

Table 1 show that among respondents 68% are male and 32% are female. As regard education 17% have passed CBSE & 13% have passed HSC examination respectively and 33% are graduates & 37% are post graduates. Regarding Annual income of 100 respondents 47% earns upto 1 lakh, 40% upto 3 lakh and 13%

above 3 lakh. As regard occupation 20% are student, 10% housewife, 40% doing service and 30% are businessman.

Table 2: Awareness Level of Customers towards E-Banking and M-Banking

Awareness Level	Frequency	Percentage
Fully Aware	22	22%
Partially Aware	27	27%
Unaware	51	51%
Total	100	

Table 2 highlights that among 100 respondents 22% are fully aware regarding E-Banking and mobile banking, 27% are partially aware and 51% are unaware.

Table 3: Reason for Unawareness of E-Banking and Mobile Banking

Reasons	Frequency	Percentage
Lack of Educational Background	28	28%
Lack of access to the information	22	22%
Interested in traditional banking only	50	50%
Total	100	

Table 3 indicates that among 100 customers 28% are unaware regarding E-Banking and mobile banking due to lack of educational background, 22% due to lack of access to the information and 50% are interested in traditional banking only.

Table 4: Source through which Information of E-Banking and Mobile Banking was known to Customers

Sources	Frequency	Percentage
Trough Bank	47	47%
Friends	24	24%
Relatives	13	13%
Advertisement given by bank	16	16%
Total	100	

Table 4 highlights among 100 respondents 47% customers got information of E-Banking and mobile banking through bank, 24% through friends, 13% through relatives and 16% through advertisement given by bank.

Table 5: Has your Bank provided you Training for Internet and Mobile Banking?

Response	Frequency	Percentage
Yes	36	36%
No	64	64%
Total	100	

Table 5 indicates 36% respondents received training for E-Banking and mobile banking though bank where as 64% did not receive any training.

Table 6: Are you using Internet and Mobile Banking

Response	Frequency	Percentage
Yes	23	23%
No	77	77%
Total	100	

Table 6 indicates that only 23% customers are using online and mobile banking and 77% are not using such service.

Table 7: Factors Responsible for not using E-Banking Banking and Mobile Banking

Response	Frequency	Percentage
Lack of ICT Knowledge	33	33%
Lack of Knowledge regarding operating bank account through internet and mobile	21	21%
Fear for using Internet and Mobile Banking	40	40%
Total	100	

Table 7 indicates that 33% respondents are not using internet banking and mobile banking due to lack of ICT knowledge, 21% due to Lack of Knowledge regarding operating bank account through internet and mobile and 40% due to Fear for using Internet and Mobile Banking.

7. SUGGESTION

It is the needed that bank should promote usage of online banking among its customers. There should be a proper mechanism in both public and private sector banks to provide information regarding usage of online banking at branch level. Frequent online banking training sessions should be conducted by the bank for their customers. Online banking training sessions should be organized by the banks in colleges and institutions providing higher education. This will encourage youths to use online banking. Public relations officers should be given an additional duty of making aware the customers of the making regarding usage of internet and mobile banking.

8. CONCLUSION

Awareness level of customers regarding E-Banking and mobile banking is less. There exist lack of awareness and education regarding E-Banking and Mobile banking as well as fear to perform online transactions. As a result many customers prefer tradition banking instead of online banking. Very les customers are getting information regarding usage of online banking through bank. Very few banks are providing training to their customers for usage of online banking. There no proper mechanism in both private and public sector banks to impart online banking training to their customers.

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