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Analysis of Consumer behaviour regarding E-banking

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ABSTRACT

Technology is the need of every field/sector in today's life. E-banking allows better control and provides their customers access to the banking services online in the place of traditional branch banking. It also offers greater convenience to customers by lessening the need to visit a branch of bank, to perform banking transactions even when branches are closed. E- banking can help in building sound strategies as its impact on cost savings, revenue and satisfaction of customer is tremendous. Banks depends on internet to provide financial as well as security services to their customers within 24 hours. The main objective of research is to analysis the consumers behaviour regarding E-banking. This study investigated urban population of Tri-city i.e., Chandigarh, Mohali and Panchkula. stratified random sampling technique was used to select consumer. Taking into considerations time and cost constraint, the sample size for the present research was taken as 200 consumers. The data through questionnaire was collected from the consumers from markets and visit to various mega departmental stores. Questionnaire responses were recorded on scaling techniques like 5-point likert type scale. The research find out that more than 80% consumers irrespective of the city are aware of the benefits of green products for health. 37.3%respondents are agreeing with the benefits of green products for environment.

Keywords: consumer, E-banking, awareness, online transaction.

INTRODUCTION

Technology is the need of every field/sector in today's life. In India, internet-based facilities have given a new facet to the banking sector and to the life of a common mam. E-banking arrived in India in late 1990s and ICICI was the first bank to introduce internet banking to its customers in 1996. No doubt, awareness completely came in 1996. E-banking allows better control and provides their customers access to the banking services online in the place of traditional branch banking.

It also offers greater convenience to customers by lessening the need to visit a branch of bank, to perform banking transactions even when branches are closed. Many more facilities can also be used and enjoyed by them without any hustle. The journey of banking technology started from computerization and ATMs and now reached into individual mobiles. Banks are adopting new tools and techniques to withhold their customers and e-banking is one of their tools. Each bank growth depends on their customers satisfaction and their needs of quicker services. E- Banking can help in building sound strategies as its impact on cost savings, revenue and satisfaction of customer is tremendous (Gupta 2008). Banks depends on internet to provide financial as well as security services to their customers within 24 hours. Now a day banks provides all services on their app for easiness of customers.

All services i.e. transfer of money from one account to another account, different utility services payment, entertainment ticket booking, travelling payment and school, college fees payment are provided by banks through e-banking. People started using online services in corona period for maintaining social distancing and made transactions in lockdown period as it was the need of that time.

Nowadays also, due to the fear of the COVID-19, instead of exchange of cash currency i.e. rupees and coins, people prefer cashless transaction or online e-transactions. They learnt to use different online methods during their stay at home. They started doing each kind of payment through different modes. Slowly, they become habitual of all and no doubt, it seemed more convenient to them.

Customers no longer had to stand in queue waiting for their turn. All facilities were available in online mode. Customers had not thought that internet banking is an aid that can provide such comfort. All banks now had to be prepared with every tool as per customer's need and demand.

LITERATURE REVIEW

Balachandher, Vaithilingam, Norhazlin, & Rajendra (2001) conclude that Prominent change in global commercial behaviours has improved customer demand of banking services. This revolution has set a motion in the banking sector for the provision of a payment system that is compatible with the demands of the electronic market.

Routray (April 2008) conclude that mobile and wireless communication devices are becoming enablers for organizations to conduct business more effectively and efficiently. One of the most effective applications is mobile banking (m-banking). The increased flexibility and mobility feature of wireless ATM and its bandwidth on demand function is motivating a large number of carriers towards deployment of the WATM networks.

Hua (2009) conducted an experiment to investigate how users" perception about online banking is affected by the perceived ease of use of website and the privacy policy provided by the online banking website. In this study, it also investigates the relative importance of perceived ease of use, privacy, and security. Perceived ease of use is of less importance than privacy and security. Security is the most important factor influencing user's adoption.

Nupur, (2010) examined the relation between customer satisfaction in e-banking and reliability, responsiveness, assurance, empathy and tangibles. E-banking can propose swift, speedy and reliable services to customers, making them more satisfied than with the manual banking system

Liébana, Muñoz, & Rejón, (2013) study concluded that accessibility, ease of use, trust and usefulness has significant effect on customer satisfaction in context of e-banking services. Website's user-friendliness is an imperative feature that needs to be considered when evaluating electronic banking users' satisfaction and positive word of mouth in general.

Objective of the study
The main objective of study is to analysis of consumer behaviour regarding E-banking, consumers are satisfied from e - banking and consumers are reliable on e-banking.

METHODOLOGY

This study investigated urban population of Tri-city i.e. urban population of Chandigarh, Panchkula and Mohali. Data frame for the study was 2022-23. The study employed survey method because data is collected from large number of respondents. Stratified random sampling technique was used to select urban consumers and this made the selected sample more representatives of the universe. Taking into considerations time and cost constraint, the sample size for the present study was taken as 200 consumers.

Chandigarh, Panchkula and Mohali tricity were selected for data collection. Consumers were divided into 3 age groups i.e. 18-25 years, 26 -40 years and 40 years above. The data through questionnaire was collected from the consumers from markets and visit to various mega departmental stores viz Easy Day, Reliance, More, Big-Bazar and Bharti Wal-mart of Tricity. The primary data was collected with the help of structured questionnaire, consisting of open as well as close ended questions, consisting of two sections. First section was related to the socio-economic demographic information. It contained information about the respondents regarding their age, educational qualification, occupation. Second section comprised questions related to consumer behaviour regarding e-banking. Responses were recorded on scaling techniques like 5-point likert type scale.

Statistical analysis: Frequency distribution used to compare percentages of studied parameters among consumers participated in the study. The statistical analysis was performed using IBM SPSS Statistics v. 24 for Windows.

RESULTS AND DISCUSSION

Table 1 and chart 1 shows the demographic information of the respondents. respondents from the age group of 18-25 years were (56%), respondents were from 26-40 years of age were 23%and above 40 years age group respondent were 21%. This is due to the fact that nowadays youngster tends to use digital banking more than their elders, mainly due to health issues of elders and lack of knowledge of technology.

Table 1 Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	112	56.0	56.0	56.0
	25-40	46	23.0	23.0	79.0
	above 40	42	21.0	21.0	100.0
	Total	200	100.0	100.0	

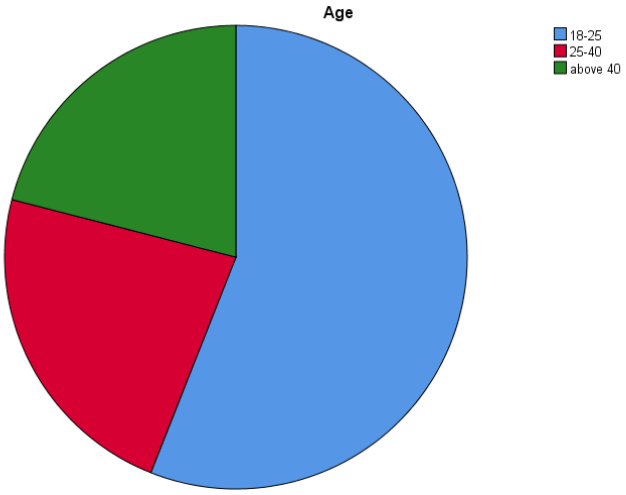

Diagram 1 Regarding Age

Table 2 shows that 58% respondent were students. It is easy to explain digital banking and its use to students and enhancing awareness regarding digital banking.

Table 2 Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Businessman	1	.5	.5	.5
	employee	75	37.5	37.5	38.0
	other	8	4.0	4.0	42.0
	student	116	58.0	58.0	100.0
	Total	200	100.0	100.0	

Table 3 Shows that sixty point two percent of the respondents had graduate/post graduate degree/Ph.D. degree. educated respondents can easily understand use of digital banking ,its uses and effects on human lives

Table 3 Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10+2	66	33.0	33.0	33.0
	graduate	39	19.5	19.5	52.5

	other	7	3.5	3.5	56.0
	phd	25	12.5	12.5	68.5
	post graduate	63	31.5	31.5	100.0
	Total	200	100.0	100.0	

Table 4 You are Satisfied with the Online Services Provided By Your Bank. * Age

Crosstab

			Age			
			18-25	25-40	above 40	Total
you are satisfied with the online services provided by your bank.	Strongly disagree		15	4	0	19
		% within Age	13.4%	8.7%	0.0%	9.5%
	disagree		5	1	4	10
		% within Age	4.5%	2.2%	9.5%	5.0%
	neutral		29	2	7	38
		% within Age	25.9%	4.3%	16.7%	19.0%
	agree		31	20	11	62
		% within Age	27.7%	43.5%	26.2%	31.0%
	Strongly agree		32	19	20	71
		% within Age	28.6%	41.3%	47.6%	35.5%
Total			112	46	42	200
		% within Age	100.0%	100.0%	100.0%	100.0%

Table 4 states that 56.3% respondent of age group of 18-25 years are strongly agree and agree with the online services provided by banks.84.8 % of age group 25-40 years are strongly agree and agree with the online services provided by banks. 73.8 % of age above 40 years are strongly agree and agree with online services provided by banks. Maximum respondent of age group 25-40 are satisfied with online services .

Table 5 You are Satisfied With the Bank's Online Based Service Quality * Age

Crosstab

			Age			
			18-25	25-40	above 40	Total
you are satisfied with the bank's online based service quality.	Strongly disagree	Count	12	1	0	13
		% within Age	10.7%	2.2%	0.0%	6.5%
	disagree	Count	8	3	4	15
		% within Age	7.1%	6.5%	9.5%	7.5%
	neutral	Count	31	3	9	43
		% within Age	27.7%	6.5%	21.4%	21.5%
	agree	Count	25	24	14	63
		% within Age	22.3%	52.2%	33.3%	31.5%
	Strongly agree	Count	36	15	15	66
		% within Age	32.1%	32.6%	35.7%	33.0%
Total		Count	112	46	42	200
		% within Age	100.0%	100.0%	100.0%	100.0%

Table 5 show that maximum respondents of different age group are satisfied with the banks online based service quality. 64.5 % of total respondents of different age group are satisfied with banks.

Table 6 the use of E-banking is reliable * Age

Crosstab

	Age			
	18-25	25-40	above 40	Total

the use of E-banking is reliable	Strongly disagree	Count	8	5	0	13
		% within Age	7.1%	10.9%	0.0%	6.5%
	disagree	Count	12	0	2	14
		% within Age	10.7%	0.0%	4.8%	7.0%
	neutral	Count	31	10	15	56
		% within Age	27.7%	21.7%	35.7%	28.0%
	agree	Count	27	19	19	65
		% within Age	24.1%	41.3%	45.2%	32.5%
	Strongly agree	Count	34	12	6	52
		% within Age	30.4%	26.1%	14.3%	26.0%
Total		Count	112	46	42	200
		% within Age	100.0%	100.0%	100.0%	100.0%

Table 6 Depicts that maximum respondent from age group of 25-40 are 67.3% which shows their reliability on E-banking.58.5% of total respondents from different age group are strongly agree and agree regarding the use of e- banking is reliable. only 13.5% of total respondents of different age group are strongly disagree and disagree regarding the use of e-banking is reliables.

Table 7 I prefer using E-banking instead of visiting branch for making my transactions * Age

Crosstab

			Age			
			18-25	25-40	above 40	Total
I prefer using E-banking instead of visiting branch for making my transactions	Strongly disagree	Count	5	4	2	11
		% within Age	4.5%	8.7%	4.8%	5.5%
	disagree	Count	10	0	3	13
		% within Age	8.9%	0.0%	7.1%	6.5%
	neutral	Count	35	3	7	45
		% within Age	31.3%	6.5%	16.7%	22.5%
	Agree	Count	22	9	13	44
		% within Age	19.6%	19.6%	31.0%	22.0%
	Strongly agree	Count	40	30	17	87
		% within Age	35.7%	65.2%	40.5%	43.5%
Total		Count	112	46	42	200
		% within Age	100.0%	100.0%	100.0%	100.0%

Table 7 show that about 84% of respondent from age group 25-40 are strongly agree and agree that they prefer using e -banking instead of visiting branch for making their transactions.65.5% of total respondent are strongly agree and agree that they prefer using e-banking. Only 12% of total respondent are strongly disagree and disagree that they prefer using e-banking.

Table 8 E-banking makes easy of transferring money from any bank to any other account of your bank. * Age

Crosstab

			Age			
			18-25	25-40	above 40	Total
E-banking makes easy of transferring money from any bank to any other account of	Strongly disagree	Count	7	4	0	11
		% within Age	6.3%	8.7%	0.0%	5.5%
	disagree	Count	16	3	1	20

your bank.		% within Age	14.3%	6.5%	2.4%	10.0%
	neutral	Count	24	2	1	27
		% within Age	21.4%	4.3%	2.4%	13.5%
	agree	Count	24	11	18	53
		% within Age	21.4%	23.9%	42.9%	26.5%
	Strongly agree	Count	41	26	22	89
		% within Age	36.6%	56.5%	52.4%	44.5%
Total		Count	112	46	42	200
		% within Age	100.0%	100.0%	100.0%	100.0%

Table 8 show that 95.3% respondent from age group 25-40 are strongly agree and agree from transferring money from any bank to any other account are easy by e -banking.

CONCLUSION

Study show that maximum consumer are satisfied by E-banking.95.3% respondent from age group 25-40 are strongly agree and agree from transferring money from any bank to any other account are easy by e -banking. About 84% of respondent from age group 25-40 are strongly agree and agree that they prefer using e -banking instead of visiting branch for making their transactions. 58.5% of total respondents from different age group are strongly agree and agree regarding the use of e-banking is reliable. Only 13.5% of total respondents of different age group are strongly disagree and disagree regarding the use of e-banking is reliable.

Limitation of Study:

There are some limitations for conducting this research are given below:

1. Only urban area has considered.
2. They have not enough time for responding to the questionnaires.
3. Customer satisfaction of particular bank has not dictated.

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