



Awareness Of E-Banking Services Among The People With Special Reference To Sangli District.

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Abstract

E-Banking is a generic term for delivery of Banking services & products through electronic channels such as the telephone, internet, the cell phone etc. The concept & scope of E-banking is still evolving. It facilitates an effective payment & accounting system thereby enhancing the speed of delivery of banking services considerably. Today's banking is not only confined to branches. Customers are being provided with E-Banking services which are more convenient to them & cost effective to the banks. These include ATM, Tele banking, Internet banking, Mobile Banking, Electronic funds transfer, anywhere banking etc. E-Banking facilitates banking transactions by customers round the clock globally. This paper attempts to know the Concept of E-Banking, E-Banking services provided by the bank to the customers, its transactions & the awareness of people about E-Banking services with special reference to Sangli district, it reveals the findings & suggestions for the effective implementation of E-Banking services by the bank

KEYWORDS: E-Banking, customers

Introduction:

Online banking (or Internet banking or E-banking) allows customers of a financial institution to conduct financial transactions on a secure website operated by the institution, which can be a retail or virtual bank, credit union or society. To access a financial institution's online banking facility, a customer having personal Internet access must register with the institution for the service, and set up some password (under various names) for customer verification. The password for online banking is normally not the same as for telephone banking. Financial institutions now routinely allocate customer numbers (also under various names), whether or not customers intend to access their online banking facility. Customer numbers are normally not the same as account numbers, because a number of accounts can be linked to the one customer number. The customer will link to the customer number any of those accounts which the customer controls, which may be cheque, savings, loan, credit card and other accounts. To access

online banking, the customer would go to the financial institution's website, and enter the online banking facility using the customer number and password. Some financial institutions have set up additional security steps for access, but there is no consistency to the approach adopted.

Objectives of the study:

1. To study the concept & features of E-Banking
2. To study the various E-Banking Services provided by the bank.
3. To study the awareness of e-banking services among the people

Scope of the study: The present study undertaken in the Sangli district. It provides insights about the banking habits of the people in Sangli district & their most proffered E-Banking services.

Research Methodology

1. **Type of Data:** Primary data is collected by preparing structured questionnaire; secondary data is used from published sources such as books, magazines & websites.
2. **Method of Research:** Descriptive & exploratory research
3. **Sample size:** 200 respondents having bank account.
4. **Sampling Method:** Convenient sampling method is adopted for the study.
5. **Research Tool:** Structured questionnaire is used for collecting the data.
6. **Statistical tool:** Percentage method is used for analysis of data.

Features of Online banking facilities

A bank customer can perform some **non-transactional tasks** through online banking, including –

- viewing account balances
- viewing recent transactions
- downloading bank statements, for example in PDF format
- viewing images of paid cheques
- ordering cheque books

Bank customers can **transact banking tasks** through online banking, including –

- Funds transfers between the customer's linked accounts
- Paying third parties, including bill payments and telegraphic/wire transfers
- Investment purchase or sale
- Loan applications and transactions, such as repayments of enrollments
- Financial institution administration
- Management of multiple users having varying levels of authority
- Transaction approval process

E-Banking Services

1. **ATM:** It is designed to perform the most important functions of the banks. On most modern ATMs, the customer is identified by inserting a plastic ATM card with a magnetic stripe or a plastic smart card with a chip, that contains a unique card number and some security information. Authentication is provided by the customer entering a personal identification number (PIN). Using an ATM, customers can access their bank

accounts in order to make cash withdrawals, debit card, cash advances, and check their account balances as well as purchase prepaid cell phone credit.

2. **Core Banking:** It is all about knowing customers need & providing them with the right product at the right time through the right channels 24 hours a day, 7 days in a week. In other words core banking process which refers to the complete administration of transactions for the bank through a central database. In an ideal core banking scenario all products, processes, channels & customer relationship management tools are the integrated & administrated through the central database of the bank with branches & channels as a delivery points.
3. **Electronic funds transfer:** Electronic funds transfer (EFT) is the electronic exchange or transfer of money from one account to another, either within a single financial institution or across multiple institutions, through computer-based systems. (EFT) is a system of transferring money from one bank account directly to another without any paper money changing hands. One of the most widely-used EFT programs is Direct Deposit, in which payroll is deposited straight into an employee's bank account, although EFT refers to any transfer of funds initiated through an electronic terminal, including credit card, ATM, Fed wire and point-of-sale (POS) transactions. It is used for both credit transfers, such as payroll payments, and for debit transfers, such as mortgage payments.
4. **Tele banking:** It is increasingly used as modern E-Banking services by the banks. A customer can do online non cash related banking over the phone anywhere & at any time. Automated voice recorder or 10 numbers are used for rendering tele banking services which have added convenience to the customers.
5. **Internet banking:** Under this facility customer can withdraw or deposit cash at branches other than the base branch, where he/she maintains account. [For cash withdraw or deposit the customer may approach any bank counter of the convenient designated branch customers will press the pin no. & press finger print terminal along with the desired amount to be deposited or withdrawn. Customer has to sign the request or receipt generated by the system for this purpose.

Analysis & Interpretation of data

1. Age of Respondents

| Age groups | Age of respondents | % |
|--------------|--------------------|------------|
| 15-24 | 24 | 12% |
| 25-34 | 74 | 37% |
| 35-44 | 50 | 25% |
| 45-54 | 28 | 14% |
| 55-65 | 24 | 12% |
| Total | 200 | 100 |

From the above table it is observed that 37% respondents belong to the age group 25-34 which is highest as compared to other age groups.

2. Occupation of respondents

| Occupation | Total no. of respondents | % |
|---------------|--------------------------|------|
| Self Employed | 17 | 8.5% |

| | | |
|--------------|------------|------------|
| Business | 32 | 16% |
| Service | 18 | 9% |
| Student | 21 | 10.5% |
| Home maker | 12 | 6% |
| Total | 200 | 100 |

It is noted from the above table that 16% respondents are businessman, 10.5% are students, 9% are servicemen, 8.5% are self employed, and 6% are homemakers.

3. Gender

| Gender | Total No. | % |
|--------------|------------|------------|
| Male | 116 | 58% |
| Female | 84 | 42% |
| Total | 200 | 100 |

Out of 200 samples 116 are male respondents & 84 are female respondents.

4. Type of Accounts of Respondents

| Type of Accounts | No. of respondents | % |
|-----------------------|--------------------|------------|
| Saving Bank a/c | 96 | 48% |
| Current Deposit a/c | 42 | 21% |
| Recurring Deposit a/c | 14 | 7% |
| Fixed Deposit a/c | 48 | 24% |
| Total | 200 | 100 |

From the above table it is examined that 48% respondents have saving bank a/c, 24% have fixed deposit a/c, 21% Current deposit a/c & 7% recurring deposit a/c.

5. Name of the bank in which respondents hold their accounts

| Name of the bank | No. of respondents | % |
|---------------------|--------------------|------------|
| State Bank of India | 40 | 20% |
| Bank of Maharashtra | 50 | 25% |
| Corporation Bank | 28 | 14% |
| Bank of India | 24 | 12% |
| Axis Bank | 14 | 7% |
| IDBI Bank | 24 | 12% |
| ICICI Bank | 20 | 10% |
| Total | 200 | 100 |

It is observed from the above table that respondents prefer nationalized banks to the large extent as compared to the private sector banks for performing financial transactions. 25% sample hold their account in Bank of Maharashtra, 20% in SBI, 14% in corporation bank, 12% in Bank of India & only 7 to 12% people in Axis, IDBI & ICICI bank.

6. Most Preferred E-Banking Services

| Service | No. of respondents | % |
|---------|--------------------|-----|
| ATM | 108 | 54% |

| | | |
|--------------------------|------------|------------|
| Credit Card | 20 | 10% |
| Tele banking | 40 | 20% |
| Internet Banking | 18 | 9% |
| Electronic fund Transfer | 14 | 7% |
| Total | 200 | 100 |

It is examined from the above table that ATM is the most popular E-banking service 54 % respondents has been utilized such service.

7. Frequency of using E- Banking Services

| Frequency of Services | No. of respondents | % |
|-------------------------|--------------------|------------|
| Once in a week | 56 | 28% |
| Several times in a week | 84 | 42% |
| Once in a month | 10 | 5% |
| Twice in a month | 50 | 25% |
| Total | 200 | 100 |

Maximum no. of respondents utilizes the E-Banking services several times in a week (42%). 28% sample utilizes it once in a week. Only 5% respondents use them once in a month.

8. Type of Service used

| Type of Service | No. of respondents | % |
|-----------------------------|--------------------|------------|
| Account enquiry | 96 | 48% |
| Fund Transfer | 38 | 19% |
| Payment of Electricity | 22 | 11% |
| Online payment | 10 | 5% |
| Request for issue of Cheque | 04 | 2% |
| Access to rate of Interest | 02 | 1% |
| Statement of Account | 28 | 14% |
| Total | 200 | 100 |

The above table indicates that 48% respondents used E-Banking service for the purpose of a/c enquiry, 19% for funds transfer, 14% for getting their statement of a/c. However few people utilize the services of Request for issue of Cheque, Online payment & Access to rate of Interest.

9. Problems encountered in using E- Banking Services

| Problems | No. of respondents | % |
|-----------------------------------|--------------------|------------|
| Inability to use computer | 26 | 13% |
| Limit on daily withdrawal | 34 | 17% |
| Costly service charges | 04 | 2% |
| Security Issues | 34 | 17% |
| Technical problems | 76 | 38% |
| Unawareness of E-Banking Services | 26 | 13% |
| Total | 200 | 100 |

It is observed from the above table that respondents encountered the technical problem (37%), problem of security issues & limit on daily withdrawal to the large extent (17%). Only 2% respondents reply for the costly service charges.

Findings

1. E-Banking services are more preferred by people between the age group of 25-34.
2. Saving bank account is most popular type of account held by the respondents.
3. Majority of the people have their accounts in nationalized bank as compared to private bank.
4. ATM is the most preferred E-Banking service by the respondents.
5. The respondents use E-Banking services quite frequently. Maximum no. of respondents uses them several times in a week.
6. The respondents use E-Banking services for the purpose of account enquiry & transfer of funds however the % of people using internet banking is very less.
7. Technical problem is the major problem face by the respondents.
8. Several types of E-Banking services are offered by the banks however Account enquiry is the popular type of service among the respondents.

Suggestions:

1. Creating awareness among the people regarding E-Banking services is a need of the day.
2. Bank must develop various measures for providing satisfaction to the customers for E-Banking services.
3. Measures to be taken for avoiding technical problems like machine breakdown, software problem, printer problem, lock up etc.
4. Bank should try to develop certain services which reduce service charges.
5. Bank should provide proper training to their staff for providing best services to their customers for increasing their satisfaction.
6. New strategy should be framed & implemented in order to widen the credit card market.
7. There is stiff competition in the market among the public & private sector bank. In order to survive strongly public sector bank must improve infrastructure & IT related services.

Conclusion: E-Banking allows storing the data, process the data & exchange the data. Customer can perform banking transactions 24 hours. No need of personal visit to bank Customer can operate & access to his account from anywhere in the globe. Men are replaced by machine. E-Banking reduces time, money & efforts so it is regarded as best practice in today's world. So in the world of globalization E-Banking provides a lot of comforts to us because by using internet we performs numerous transactions like account enquiry, payment of Electricity bill, telephone bill, online shopping, reservation of bus, rail or air by sitting in the four walls of our home within a few seconds. Though it has certain problems for utilizing such services, such problems can be removed by invention of new technology.

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