

**“A STUDY ON LEVELS OF CUSTOMER AWARENESS  
AND RELIABILITY TOWARDS E-BANKING  
CHANNELS”**

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**BACHELOR OF COMMERCE**

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(Affiliated to Mahatma Gandhi University)

Accredited by NAAC with “A+” Grade)

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### **BONAFIDE CERTIFICATE**

This is to certify that this dissertation entitled “**A STUDY ON LEVELS OF CUSTOMER AWARENESS AND RELIABILITY TOWARDS E-BANKING CHANNELS**”, has been prepared by **Nihal E N, Riya M A, Sneha Chandrika Anil** under my supervision and guidance in partial fulfilment of the requirement for the Degree of Bachelor of Commerce of Mahatma Gandhi University. This is also to certify that this report has not been submitted to any other institute or university for the award of any degree.

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# **CHAPTER 1: INTRODUCTION**



# **A STUDY ON LEVELS ON CUSTOMER AWARENESS AND RELIABILITY TOWARDS E-BANKING CHANNELS**

## **1.1 INTRODUCTION**

Many firms' operations have changed as a result of the Internet, which is also increasingly being used as a potent avenue for corporate marketing and communication. Due to the rapid development of communication and computer technology as well as the accessibility of the Internet, it is now possible to conduct the majority of banking transactions from a distance even without entering a physical financial structure. As a result, the e-banking sector is expanding quickly. Today, less than 30% of customers visit branches to conduct financial activities.

E-banking is thought of as an advanced enhancement over earlier electronic delivery technologies that has created a variety of fresh commercial options for the banking sector. Even though e-banking has many benefits, such as speed, convenience, accuracy, etc., there have been a number of significant obstacles and problems that have hindered the development of e-banking and e-business in general. These include customer acceptance and satisfaction, services provided, value added for both consumers and banks, privacy concerns, profitability, operational risks, and competition from non-banking institutions. Security is a key issue that is frequently addressed. The quality of delivery services, including both delivery speed and delivery reliability, presented another obstacle to e-banking. Online shoppers' limited payment alternatives are another issue that has been brought up.

E-banking encompasses a wide range of financial operations that were formerly carried out through the actual exchange of information but are now completed electronically. For the sake of their customers and themselves, banks compete with one another to offer the newest technologies.

Customer satisfaction is a vague and abstract concept. The way that the state of happiness actually manifests itself varies from person to person, product to product, and service to service. The degree of satisfaction is influenced by a number of factors, which come together to form psychological, economic, and physical characteristics. One of the key factors affecting customer satisfaction is the level of service provided. Quality services increases customers' satisfaction with financial services by bringing cooperation, customer centricity and cost effectiveness. Customers are already assessing their banks based on the availability of their e-banking services.

As a result, the banking sector as a whole is developing strategic measures to resume winning over consumers by ensuring customer satisfaction. Hence, customer awareness and reliability of e-banking channels is essential for the growth of the banking industry and ultimately the economy as a whole.

## **1.2 STATEMENT OF THE PROBLEM**

India's banking sector is growing steadily. The global banking sector has seen a significant shift in recent years as a result of the continuous developments in technology and consumer preferences. The Internet is changing the way that money operates by erasing the conventional limitations of time and geography. New techniques for conducting a range of financial transactions have been developed because of the internet. With these advancements, a brand-new era of banking known as "e-banking" has evolved.

An economy's lifeline might be said to be a robust banking sector. It is one of the industries in India that is expanding rapidly as banking will undergo a significant transformation spurred by huge technological advancements. In the future, banking will be "digital." The COVID-19 pandemic has fundamentally altered how we live our lives in terms of how we work, how we buy, and even how we bank, which has had a significant impact on consumer behaviour and attitude.

E-banking is a significant tool that has fostered the growth of banking sector and has imparted its advantages specially to developing countries such as India by establishing and improving customer relations. The E-banking sector is bound to changes with the rapid change in technology, and so a study on customer awareness and reliability towards e-banking channels is necessary to ascertain the prospects and success of the industry. It is essential to realise the importance of e-banking channels as its features has proved particularly useful in case of the COVID-19 pandemic situation and in a world of paperless transactions.

Despite all the advantages mentioned above related to e-banking channels, while e-banking makes lives of many people simpler and easier, on the other hand, it is threatening and complex for some other people. So, there is a need to look into the level of customer awareness and reliability towards e-banking channels, especially in a developing country like India where the gap between the rich and the poor is very wide which is very much evident through digital divide.

### **1.3 SIGNIFICANCE OF THE STUDY**

Although, over the past 20 years, India's banking system has gradually improved, it also has a number of issues and challenges, such rising competition, rising population, rising customer demand and awareness, etc. Aside from them, rapid technological advancements represent another significant issue for the industry. A number of new private banks have risen as a result of the sector's rapid expansion. As a result, customers have a wide range of options when choosing a financial service provider. As customers' awareness of banks have grown, they have begun to favour those that can meet their expectations and offer conventional services. Need-based, effective customer care and service quality can define a bank in the Indian market, where many banks provide nearly identical products and services.

Since service quality and customer satisfaction are tied to one another, banks must increase their service quality in order to guarantee customer satisfaction. It implies that customers will only be satisfied if banks deliver service in line with their expectations. As a result, in order to adapt to the shifting market environment, banks must both retain current customers and draw in new ones with higher-calibre services.

Customer awareness and customer reliability towards e-banking channels are correlated in ensuring customer satisfaction towards the e-banking sector in general. Although, e-banking is a rapidly growing industry, some people are still hesitant to manage their financial affairs online, though. Some might not even be aware of the services offered. Therefore, the first goal of banking companies is to create awareness of e-banking channels and services. Thereafter, it can focus on increasing customer reliability towards such e-banking channels to ensure retention of customers and attracting new customers.

### **1.4 SCOPE OF THE STUDY**

- Besides helping customers avail 24/7 banking services, the study will prove to be a helping hand in revolutionizing retail banking with the rapidly changing technology.
- The project will help understand the limitations faced by the e-banking industry and help overcome its weaknesses.
- The project will help recognise areas for improvement to help the sector grow and prosper.

- The project will also indicate the channels that needs work in spreading awareness about itself and its benefits.
- It will help consumers to know about various e-banking channels and third party transfer system, and its benefits.

## **1.5 OBJECTIVES**

- To assess the customer awareness on e-banking channels
- To evaluate customers' reliability towards e-banking channels
- To study online banking fraud and risk awareness of consumers
- To study impact of customer satisfaction on the success of e-banking

## **1.6 RESEARCH METHODOLOGY**

There are two sources of collecting data: - (a) Primary sources and (b) Secondary sources. To evaluate the customer awareness and reliability towards e-banking channels Primary source of collecting data was used. The Primary data was collected by distributing questionnaires via Google forms and collected the responses. The questionnaire was structured and contained 33 questions.

The first part of the questionnaire contained general questions which consisted of the demographic variables such as age, gender, occupation status, monthly income and so on. The latter part of the questionnaire contained specific questions which were related to the topic under study.

The data was collected from 65 respondents and percentage analysis was used to conduct the data analysis. The data collected was tabulated and charts like column chart, bar charts, pie charts and doughnut charts were used to interpret the data.

## **1.7 LIMITATIONS OF THE STUDY**

- The study cannot identify misinterpreted or unintelligible replies from the respondents.
- Receiving replies from the respondents were difficult and time-consuming.
- Some respondents were not honest with their answers.
- The sample chosen may not be considered accurate for the study.
- The questions are read and understood by the interpretations of each respondents and hence the replies are subject to such interpretations.

## **1.8 CHAPTERISATION SCHEME**

### **CHAPTER 1: INTRODUCTION**

- 1.1 Introduction
- 1.2 Statement of the problem
- 1.3 Significance of the study
- 1.4 Scope of the study
- 1.5 Objectives of the study
- 1.6 Research methodology
- 1.7 Limitations of the study
- 1.8 Chapterisation scheme

### **CHAPTER 2: LITERATURE REVIEW**

### **CHAPTER 3: THEORETICAL REVIEW**

### **CHAPTER 4: ANALYSIS AND INTERPRETATION**

### **CHAPTER 5: FINDINGS, SUGGESTIONS AND CONCLUSION**

- 5.1 Findings
- 5.2 Suggestions
- 5.3 Conclusion

## **CHAPTER 2: LITERATURE REVIEW**

Amutha, D. (2016). A study of consumer awareness towards e-banking. *International Journal of Economics and Management Sciences*, 5(4), 350-353.

E-banking is thought of as an advanced improvement over earlier electronic delivery technologies that has created a wealth of new commercial options for the banking sector. The research discusses customer perceptions of e-banking systems in relation to consumer awareness of e-banking systems, with particular reference to Tamilnadu's Tuticorin District. In order to gather the data for this inquiry, both primary and secondary sources were used. 90 sample respondents who represented E-bank customers made up the randomly selected sample. Several statistical tools, including simple percentage analysis, averages, F-Statistic, chi square test, and probability analysis, were utilised to analyse the data that were taken from the main source. Secondary data have been gathered from periodicals, books, journals, newspapers, and the internet. The study's findings support the researcher's assertion that the majority of bank clients in Tamilnadu's Tuticorin District are aware of all banking services. The banks must also take the appropriate steps to inform their clients about new technology and other services they provide.

Nagar, N., & Ghai, E. (2019). A Study of Bank Customer's Reliability towards Electronic Banking (E-Banking) Channel's. *International Journal of Management Studies*, 6(1), 34-40.

In India, electronic banking is booming as bank account holders utilise their mouse, slide cards, access emails, and use their mobile phones to make banking transactions. These e-channels are the sets of strong instruments that enable banking clients to carry out financial transactions while working from home, the office, or somewhere else. The findings on client trust in specific electronic banking channels are highlighted in this article. In order to collect information from the sample units chosen by simple random sampling from the cities of Allahabad, Varanasi, Lucknow, and Kanpur, the current study used a questionnaire survey. Utilizing measures specifically created for this purpose, the dependability of electronic banking services was assessed, and the results were compared across different bank groups. According to survey participants, telephone banking is the least reliable kind of electronic banking, whereas ATMs are considered to be quite reliable. According to the study, the most important aspect that influences customers' decisions to use e-banking services is the dependability of the e-banking channels.

Oni, A. A., Adewoye, O. J., & Eweoya, I. O. (2016). E-banking users' behaviour: e-service quality, attitude, and customer satisfaction. *International Journal of Bank Marketing*.

By shedding light on the motivational elements of e-banking service quality and individual traits, this paper advances our understanding of bank marketing. Investigating factors that influence e-banking usage based on e-service quality, attitude, and customer satisfaction is the goal of this article. Based on an analysis of the current literature, a conceptual model was created to study the variables that affect how often people use e-banking. In order to more accurately capture the users' perceptions of using e-banking, the model made use of the e-services quality variable, the diffusion of innovation construct, and self-efficacy. To test the model, 254 e-banking users' data was gathered. The findings show that perceived e-service quality has a significant impact on customer happiness and e-banking use, suggesting that higher e-service quality has the potential to raise satisfaction and, as a result, lead to increased e-banking use. According to the results of this study, the most important factors in determining the quality of an e-service were the support staff's competency, system availability, service portfolio, responsiveness, and reliability, in that order.

Agarwal, R., Rastogi, S., & Mehrotra, A. (2009). Customers' perspectives regarding e-banking in an emerging economy. *Journal of Retailing and consumer services*, 16(5), 340-351.

Determining the factors impacting consumer perception and attitude toward and satisfaction with e-banking is a vital step in developing a bank's strategy in a developing economy like India. Understanding how Indian consumers think, act, and feel about the variety of e-banking services offered by Indian banks is the main objective of the current study. To gather this information about Indian customers, a survey was performed among respondents chosen from the northern part of India. The key findings demonstrate that consumers' use of e-banking services is influenced by the type of account they have, their age, and their profession; they place the greatest value on the balance inquiry service among e-banking services; they believe security and trust to be the most important factors in determining their level of satisfaction; and they find that slow transaction speeds are the most frequent issue when using e-banking.

Li, F., Lu, H., Hou, M., Cui, K., & Darbandi, M. (2021). Customer satisfaction with bank services: The role of cloud services, security, e-learning and service quality. *Technology in Society*, 64, 101487.



E-banking is being adopted by the banking sector quickly as a useful and effective instrument for satisfying customers. With the rapid advancement of technology, e-banking has been used to take on subscribers and carry out financial operations. However, retaining consumers who use Internet banking is the main challenge facing e-banking. Therefore, the current study's objective is to investigate the variables affecting customers' satisfaction with e-banking services. In order to assess the validity and reliability of the causal model in conjunction with the measurement model, this study used the structural equation modelling method. Based on the data gathered from the questionnaires, the research model is examined. According to the findings, there are four important aspects that have a substantial impact on customer satisfaction with Internet banking services: cloud services, security, e-learning, and service quality. The study's future applicability is uncertain because banking services have undergone major and rapid changes under the influence of information and communication technology.

Success factors in e-channels: The Malaysian banking scenario Ong Hway-Boon, Cheng Ming Yu International Journal of Bank Marketing ISSN: 0265-2323 **Article** publication date: 1 December 2003

The ability to supply financial services via electronic channels (e-channels) is one of the banking industry's most important effects of technology advancements. E-channels offer options for the quicker distribution of financial services to a larger consumer base. Nowadays, the delivery of financial services through e-channels is becoming more and more common. To enable a more economical and effective execution of e-channel services, a number of criteria and investment expenses must be determined prior to the installation of e-channels. Thus, a survey is carried out to ascertain the elements necessary for Malaysian domestic commercial banks to use e-channels successfully. Frequency analysis and factor analysis were used to analyze the key sources of data.

ALTERNATE BANKING CHANNELS IN NORTHINDIA: E-BANKING RELIABILITY PERSPECTIVE. Authors

Dhirendra Pandey Shweta Sankwar. Date Nov 2017

ATMs, Internet banking, mobile banking, point-of-sale (POS) terminals, and electronic draught capture(EDC) machine terminals are examples of alternative banking channels. These

alternative banking channels are used for all electronic transactions and payments. The user's adoption of these alternative banking channels is predicated on their dependability, which has numerous components. Confidentiality, authorization, sustainability, psychological acceptability, audibility, verifiability, and serviceability are reliability attributes. This survey was carried out in Uttar Pradesh, a state in India.

This study paper is based on surveys that inquire respondents about the dependability of all alternative banking channels. This survey research analyses the reliability of all alternative distribution channels. To understand the existing situation, performance, and uptake of alternative banking channels, all reliability attributes are reviewed. Critical evaluation and observation

An index method for measurement of customer satisfaction Ingrid Fecikova The TQM Magazine ISSN:0954-478X Article publication date: 1 February 2004

Customer satisfaction (CS) has grown in importance for both private and public sector organizations. The percentage of clients that a company can retain determines whether or not they succeed. Customer retention, which again depends on CS level, is crucial to success. By connecting the quality metrics to actual consumer behavior, it would be very beneficial to be able to measure product and service quality in its whole. Some businesses receive input regarding CS from the percentage of complaints, while others receive it via ad hoc surveys, and still others do not measure CS at all since "the system would not offer anything meaningful and is excessively time-consuming." If you give three managers in the same organization the same goal—improving CS, however it may be measured—they will work together to achieve it.

M-banking in developing markets: competitive and regulatory implications. Jamie Anderson info ISSN: 1463-6697 Article publication date: 26 January 2010

Using a mobile phone or another mobile device to conduct financial activities related to a client's account is known as mobile banking (M-banking). M-banking, one of the most recent methods for delivering financial services via information and communication technology (ICT), was made possible by the widespread use of mobile phones, even in developing nations. Emerging mobile banking (m-banking) platforms in developing economies offer two-sided marketplaces by connecting users of mobile devices with other mobile users and business partners. This article is based on research on the m-banking initiatives of mobile network

operators in developing markets and the regulatory responses to these strategies. M-banking has the ability to provide unbanked consumers in developing economies with access to basic banking and electronic transaction services.

The determinants of satisfaction with e-banking Francisco Liebana-Cabanillas, Francisco Munoz-Leiva, Francisco Rejon-Guardia Industrial Management & Data Systems ISSN: 0263-5577 Article publication date: 17 May 2013

This paper's goal is to further the field of satisfaction research from the viewpoint of people who use electronic banking, as this is a subject that has a significant impact on financial institutions' business plans. The authors examine the key factors influencing user satisfaction with a particular institution's offerings in this context. The authenticated area of an illustrious financial institution's electronic banking service provided a self-administered web survey from which data was gathered. The investigation investigates the connection between the suggested variables and customer satisfaction with online banking. Data from a single financial institution were the only ones included in the study. Therefore, it is important to use caution when generalizing the findings. The study's findings offer financial organizations several insightful deductions.

#### A STUDY ON CUSTOMER SATISFACTION TOWARDS E-BANKING”

Bhavsar Dhruv Mukeshbhai1, Mr. Vivek Ayre

The term "electronic banking," which is often referred to as "online," "cyber," and "virtual banking," enables users of this platform to conduct various financial operations via the internet, such as account analysis and transaction execution from any location at any time. Customers can purchase and sell goods and services using real money transferred over the internet with the use of e-banking. The study's goals are to ascertain the respondents' level of familiarity with and usage of electronic banking, their motivations for using it, and their level of satisfaction with it. The majority of customers used to enjoy online bank services, it has been established throughout the project. Most usable E-Banking Services include ATMs, Debit Cards, and Credit Cards, and are primarily used by Self Employed People. Actually, by offering online services that are convenient and time-saving, e-banking has gradually demonstrated how crucial it is to the banking industry. According to my research, customers prefer using online services than physically visiting a branch or bank.

A Study on Consumer Awareness Towards E-Banking with Special Reference To Villupuram District V. Geetha, Research Scholor, Ph.D Commerce Joseph Arts & Science College, Thirunavalur, India

Many firms' operations have changed as a result of the Internet, which is now a potent avenue for business communication and marketing A Banker in America This approach has been adopted by the banking sector in recent years, and all current banking transactions are now completed using Internet apps, which is frequently referred to as "e-banking." E-banking is thought of as an advanced improvement over earlier electronic delivery technologies that has created a wealth of new commercial options for the banking sector. The goal of the study is to examine how well-known and appreciated the commercial banks' electronic banking services are in Tamilnadu's Villupuram area. In this inquiry, both primary and secondary sources of data were used to compile the findings. Primary data are the foundation of the study report. The study's findings support the researcher's assertion that the majority of bank customers in Tamilnadu's Villupuram District are aware of all banking services. The banks must also take the appropriate steps to inform their clients about new technology and other services they provide.

The impact of E-Banking on Customer Satisfaction in Private Commercial Banks, Sri Lanka  
H K T Buddhika and T.S.L.W. Gunawardana

Any business can benefit from a satisfied customer asset since it gives them a competitive edge over rival businesses. Customer satisfaction, which is a person's emotion of joy or disappointment as a result of measuring a product's perceived performance or outcome to consumers' expectations, is the primary determinant of company today. The majority of contemporary banking institutions engage in electronic banking activities. Nowadays, bankers use more modern techniques in place of conventional ones. One of these activities that is quite significant is electronic banking. It is true that banking practises have evolved through several stages, from telephone banking to the most recent mobile banking, and there is a trend to gradually develop creative banking practises. In order to attract a large number of consumers, there is intense competition among the banks, which produces better results. The sole emphasis of this study is the retail banking platform. The two sorts of banking customers are retail customers and business customers. Future studies will have the chance to study corporate banking clients as well. In addition, this study chooses one bank from a group of banks that

actually exist. Future researchers will be able to compare the current e-practices across these competitive institutions.

Looking beyond technology: a study of e-banking channel acceptance by Indian customers

N. Kamakodi and Basheer Ahmed Khan

Nearly 15 years have passed since the Indian banking industry underwent liberalisation and the country's banking services underwent a paradigm shift. All banks have either completed or are in the middle of implementing "Core Banking Systems." 292 people who participated in a poll on their opinions of electronic banking channels provided their responses. The findings show that most customers are quite at ease with and open to using e-banking channels. Over 80% of people concur that "human contact is vital" at the same time. This presents a problem for banks.

Technology by itself cannot provide banks a sustained competitive advantage. IT will cease to be a differentiator once all banks adopt it into their technology. Beyond a certain point, banks will need IT in addition to "human touch" in order to keep their current clientele and draw in new ones. This must be incorporated into the IT and operational strategies of banks.

Customers' attitude towards technology based services provided by select Indian banks:

Empirical analysis Jaspal Singh, Parminderjit Kaur International Journal of Commerce and Management

The study's key result was that there are six criteria, including ease of use, dependability, convenient accessibility, security, cheap transaction costs, and time consumption, that influence how satisfied customers are with e-banking services. The results of multiple regression also revealed that, of the six factors previously mentioned, three—easiness of use (i.e., user-friendly websites facilitating simple technology-customer interaction), low transaction cost (i.e., time savings, speed of service delivery, convenience, and reduced paperwork in terms of money), and security (i.e., dependable safety mechanisms in terms of unauthorised access to accounts, hacking, and password protection)—were found to be statistically significant. Given that a sizable portion of India's population still does not use banking services, bankers could develop methods to expand their companies based on the study's findings. However, clients in isolated parts of the country could still get access over the internet. The study is very useful for policymakers in understanding how banking clients feel about the e-banking services offered by the banks and in formulating appropriate strategies for positioning themselves in advantageous competitive position.

## **CHAPTER 3: THEORETICAL FRAMEWORK**

## **Introduction to E-banking**

Net banking or internet banking are more prevalent names for electronic banking. A website that offers a variety of products and services from any bank that can be used electronically, including payments, transfers, deposits, and more, supports this electronic payment system. digital banking, banking transactions can now be completed by phone or computer rather than in person thanks to the use of computers and telecommunications. Its features include automatic teller machines (ATMs), electronic financial transfers for retail purchases, and automatic payroll and bill payments.

## **History of E-banking**

Banks used the traditional banking model rather than branch banking up until the 1990s. The banking industry also observed the creative movement of banking services following financial reforms. Since 1993, the Indian banking industry has adopted computerization, mostly out of sheer necessity and pressure to deal with the growing overload and incompatibility of the manual system to support further expansion. The introduction of computerised applications and the growth of communication networks in banks were significantly aided by this agreement. However, the ground-breaking reports of the two committees led by Dr. C. Rangarajan, a former governor of the Reserve Bank of India, were the inspiration for the first attempt in the domain of bank computerization.

A committee led by W. S. Saraf was established by the Reserve Bank of India in 1994, and it strongly advocated the use of electronic fund transfers (EFT), the introduction of electronic clearing services, and the expansion of magnetic ink character recognition (MICR) outside of major cities and branches. By launching online banking services in branches, Industrial Credit and Investment Corporation of India became the country's first bank to employ electronic banking in 1996. Following its lead, HDFC Bank, IndusInd Bank, and Citibank began offering online banking services in 1999. The government and reserve bank of India have taken a number of actions to promote the growth and efficient operation of electronic banking in India. The IT Act, 2000 was passed by the Indian government, giving electronic transactions and electronic commerce legal recognition.

## **Merits of E- banking**

- **Money Transfers**

You can transfer money between accounts using internet banking. You can start domestic and international fund transfers between and within banks. Using money transfer methods like NEFT, RTGS, and IMPS, you can send money to recipients in under an hour.

- **Reserving Deposits**

The convenience of opening fixed and recurring deposit accounts online is another advantage of internet banking. You have a choice of deposit amount, deposit type (cumulative or non-cumulative), and investment period.

- **Recharging & Bill Payment**

In order to pay your utility bills, such as those for gas, electricity, and telephone, from the comfort of your home, you can enable auto-debit options. Your internet banking account also makes it simple to replenish your cell and DTH connections.

- **Monitoring account & Check balances**

Whether you are in India or abroad, you can access your account information at any time and from any location to check the amount. Under the “see account statement” tab on the internet banking platform, you can download older account statements or acquire mini statements.

- **Additional Services**

You can take use of a wide range of supplemental services, such as purchasing or selling mutual funds, insurance, and loan applications. You can also set up automatic payments for all recurring bills through your internet banking account.

## **Demerits of E-banking**



- **No cashless deposit option**

Cash deposits are not permitted. To deposit money, go to the bank branch or automated teller machine that is closest to you.

- **Need for Internet**

In the absence of a steady internet connection, your ability to access Internet banking services may be restricted. Additionally, when bank servers are down, it may be impacted.

- **Internet scams**

If you disregard the security precautions advised by the bank, such as failing to create secure passwords, sharing passwords, or failing to log out of your internet banking account, you may become a victim of online fraud.

- **Transactional issue**

The user may have a number of problems with online banking, such as transferred payments that are not reflected, payments that fail, and other problems brought on by technical support.

Speedy transactions, low cost of banking services, less paper work and convenience are all merits of E-banking services. The merits outnumbering demerits and the scope of the industry makes E-banking a significant sector in the economy and to improve the standard of living of the society.

## **E-banking channels**

Cheques and other paper-based transactions are replaced by electronic technology and computers in electronic banking, sometimes referred to as virtual banking or E-banking. Through E-banking channels including ATMs, phone banking, home banking, and Internet banking, virtual banking is possible that doesn't require any physical movement. A virtual bank is a bank that offers fully automated financial services but doesn't require any physical branches.

## **ATMs**

ATMs (Automated Teller Machines) allows a bank's customers to conduct financial activities, such as cash withdrawals, deposits, funds transfers, balance inquiries, or request for account information, at any time and without having to speak with bank employees directly.

## **Advantages**

Initially designed as cash dispensers, ATMs now do a wide range of other banking-related tasks, such as:

- Paying recurring fees, taxes, and bills (utilities, phone bills, social security, legal fees, income taxes, etc.)
- Order or print out bank statements
- Money transfers
- Paying off the credit balance on a card connected to a certain current account (in full or in part).
- Recognizing, accepting, and recycling deposit currency

## **Debit and Credit Cards**

### **Debit Cards**

Debit cards, often termed check cards or bank cards, are payment cards that can be used to make transactions instead of cash. The term "plastic card" refers to both the aforementioned and identification credentials. They function similarly to credit cards, but unlike credit cards, the funds for the purchase must be in the cardholder's bank account at the moment of the transaction and are sent right away to the merchant's account to cover the cost of the purchase.

### **Credit Cards**

Customers (cardholders) are given a specific sort of payment card called a credit card that enables them to pay for goods and services from sellers based on the amount of debt they have acquired. A recurrent account is set up by the card issuer, which is frequently a bank or credit union, and the cardholder is given access to a line of credit from that they can withdraw money to make purchases or apply for a cash advance. The two types of credit cards are for personal use

and for businesses. Most of cards are plastic, however some are made of metal (titanium, gold, palladium, and stainless steel), while others are made with gemstones embedded in them.

### **Mobile Banking**

A bank or other financial institution's mobile banking service enables its customers to carry out financial transactions remotely using a mobile device, like a smartphone or tablet. It uses software, sometimes referred to as an app, offered by the financial bank for the purpose, unlike internet banking. Typically, mobile banking is accessible around-the-clock. Some financial firms have restrictions as to which accounts can be accessed using mobile banking and set a monetary threshold for the value of transactions. The presence of an internet or data connection for the mobile device is necessary for mobile banking.

### **Electronic Point of Sale**

An EPOS is an automated system for tracking sales, receiving payments, managing inventory, and producing reports in the hospitality and retail sectors. A touchscreen computer, a receipt printer, a card reader, a cash register, and software are frequently included in EPOS systems. EPOS systems come in a variety of configurations, forms, and sizes.

Two key elements are present in every EPOS system. The first part consists of the hardware and accessories that let you personalize the look of your store. The software, which is where you administer your business and keep track of your sales, is the second and frequently more important aspect.

Electronic banking products and services are of utmost importance for banks to function and survive in a highly competitive global market. The foundation of electronic banking is the utilisation of modern technology to offer a variety of banking services directly to customers around-the-clock. The success of E-banking industry depends on customer satisfaction.

Therefore, following are the factors affecting customer satisfaction: -

#### **1. Service Delivery**

When it comes to customer satisfaction in the banking industry, service delivery is a crucial component. A service must meet standards for quality, efficiency, and effectiveness in meeting customers' demands in order to be deemed to have been delivered in accordance with customers' expectations.

## **2. Reliability**

Customers typically use particular banks in the banking industry because they view those banks to be reliable. Customers prefer to know that a service will be provided at the specified time. Customer satisfaction and the reliability of financial services are positively correlated in the banking industry.

## **3. Assurance**

Customers are more assured of a bank's ability to meet their needs when it has the appropriate staff members who are qualified and competent in the field. It involves the bank's capacity to offer helpful assistance not only when a customer requests it but also whenever it sees fit. Customers are more confident in banks' capacity to address their needs first because of their responsiveness.

## **4. Responsiveness**

This involves providing feedback in a timely manner and making sure that customers' questions and issues are quickly resolved. Customer satisfaction and value perception are directly impacted by responsiveness. The tendency of a customer is to gravitate toward a bank's service whenever they believe they would be satisfied with it.

Other variables that may affect consumer satisfaction include the calibre of the services provided, the security of the website and its content, as well as privacy, comfort, and speed. The growth in Internet users has supplemented banks' transition to a digital business model. In an E-banking environment, some clearly visible outcomes resulting in consumer satisfaction include higher productivity, decreased operating costs, quick settlement, and high quantities of banking transactions.

## **Threats faced by E-banking industry**

Financial institutions are among the most often targeted companies online. Cybersecurity is one of the most significant issues the E-banking sector is currently facing because it involves millions of customers and their sensitive data.

The following are the threats faced by E-banking industry: -

### **1) Phishing**

Phishing attacks are still one of the largest hazards to the banking industry, and in the new digital age, they are a popular technique for cybercriminals. Credential phishing, often known as email or domain spoofing, is the process of malicious actors tricking people into downloading malware or divulging personal information.

Phishing poses a threat to both customers and employees in the banking sector. Employees need to be alert for phishing attempts that aim to get login credentials in order to access customer information.

### **2) Malware and Ransomware**

Among the most dangerous threats in the last few of years are ransomware and malware attacks. Most industries are prone to malware and ransomware attacks, so the danger is not just confined to the financial services sector. These malicious software attacks are increasing in frequency and sophistication. AI, machine learning, and behavioural analysis are increasingly popular cybersecurity solutions that can be used as a first line of protection against these typical attacks. The cybersecurity of banks must advance to meet the most recent cybersecurity threats and prevent a data breach that could harm their brand.

### **3) Cloud-based Cybersecurity Threat**

Attackers have taken use of cloud-based cyberattacks to capture sensitive information as more software systems and data are stored and enabled on the cloud. As a result, there has been an increase in cloud-based attacks. In order to avert dangerous breaches, banks must make sure that the cloud infrastructure is configured securely.

Spoofing, unencrypted data, fraud and identity theft are some of the other threats faced by this industry. Audits and security checks, firewalls, trained employees, automatic logouts, multi-factor authentication and biometrics can be used to overcome these threats.

For maintaining one's funds, e-banking offers an enhanced level of convenience. However, it still poses problems for monetary stability and private information. Online banking has led to the compromise of many people's account information. Therefore, one should be mindful of the hazards if using it for financial transactions.

**CHAPTER 4: DATA ANALYSIS AND  
INTERPRETATION**

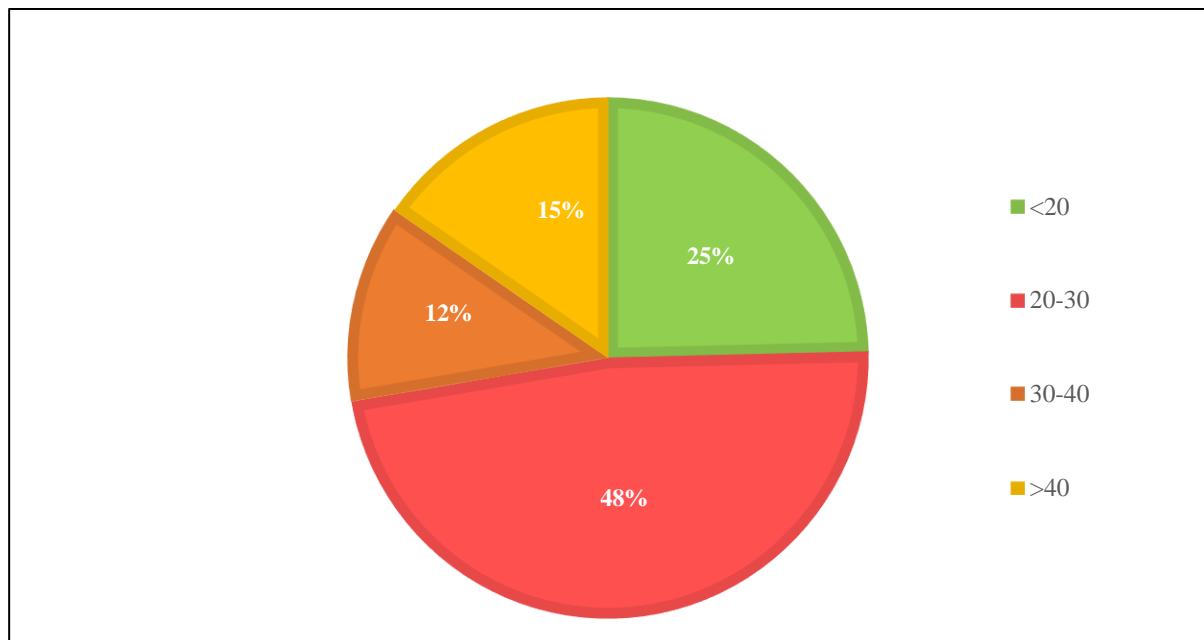
The data was collected through primary source that is questionnaire via Google form. The data has been presented in tabular form and analysed using percentage and average method and the results were presented in charts.

**Table 5.1:** Showing the distribution of respondents based on the age group

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
<20	16	25
20-30	31	48
30-40	8	12
>40	10	15
TOTAL	65	100

(Source: Primary data)

**Chart 5.1:** Showing the distribution of respondents based on the age group



(Source: Table 5.1)



**INTERPRETATION:**

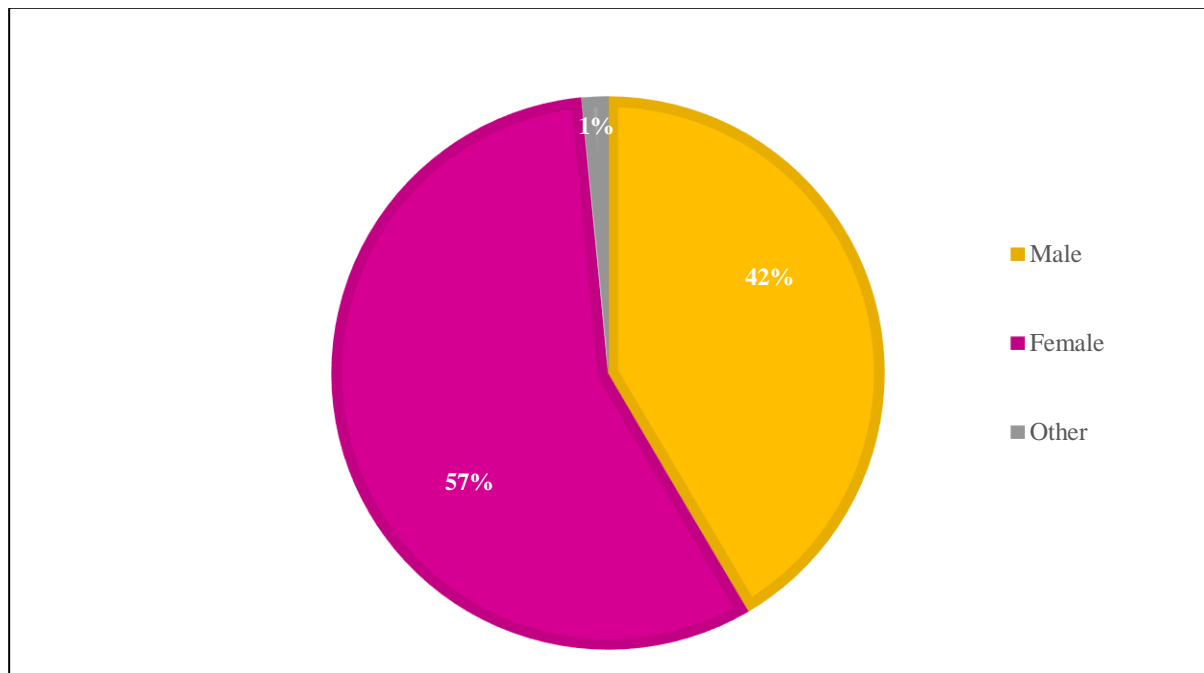
The majority of respondents (48%) fall in the age group 20-30. 25% of the respondents belong to the <20 age group, 15% of the respondents belong to the >40 age group, and the remaining fall in the 30-40 age group.

**Table 5.2:** Showing the distribution of respondents based on gender

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Male	27	42
Female	37	57
Other	1	1
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.2:** Showing the distribution of respondents based on gender



(Source: Table 5.2)

**INTERPRETATION:**

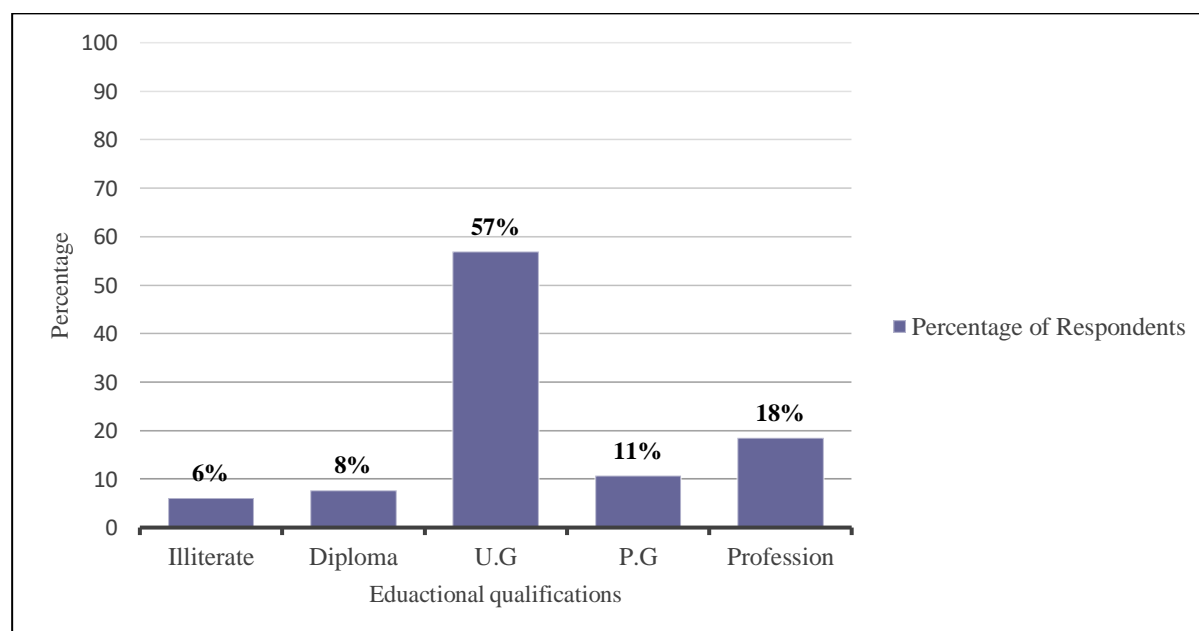
The majority of respondents (57%) are female while 42% of them are male. 1% of the respondents fall in the 'Other' gender group.

**Table 5.3:** Showing the distribution of respondents based on educational qualification

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Illiterate	4	6
Diploma	5	8
U.G	37	57
P.G	7	11
Profession	12	18
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.3:** Showing the distribution of respondents based on educational qualification



(Source: Table 5.3)

**INTERPRETATION:**

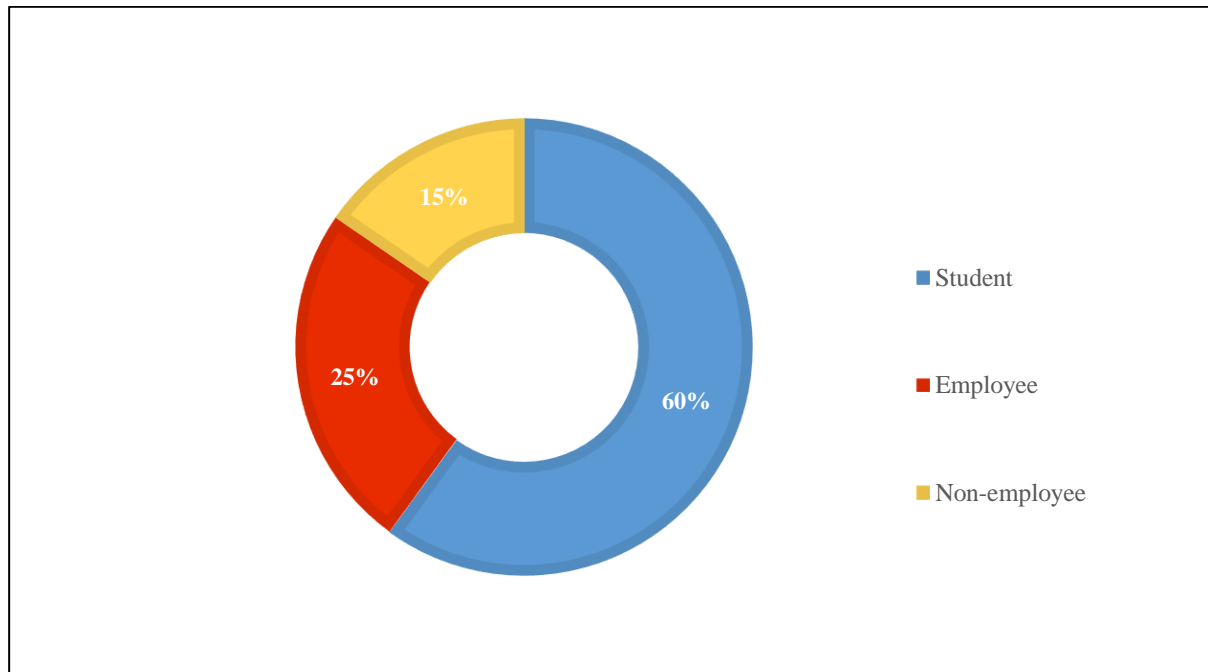
The majority of respondents (57%) are undergraduates whereas 18% of them have a professional qualification. 11% of the respondents are postgraduates, 8% have diplomas and the rest are illiterate.

**Table 5.4:** Showing the distribution of student, employee and non-employee respondents

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Student	39	60
Employee	16	25
Non-employee	10	15
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.4:** Showing the distribution of student, employee and non-employee respondents



(Source: Table 5.4)

**INTERPRETATION:**

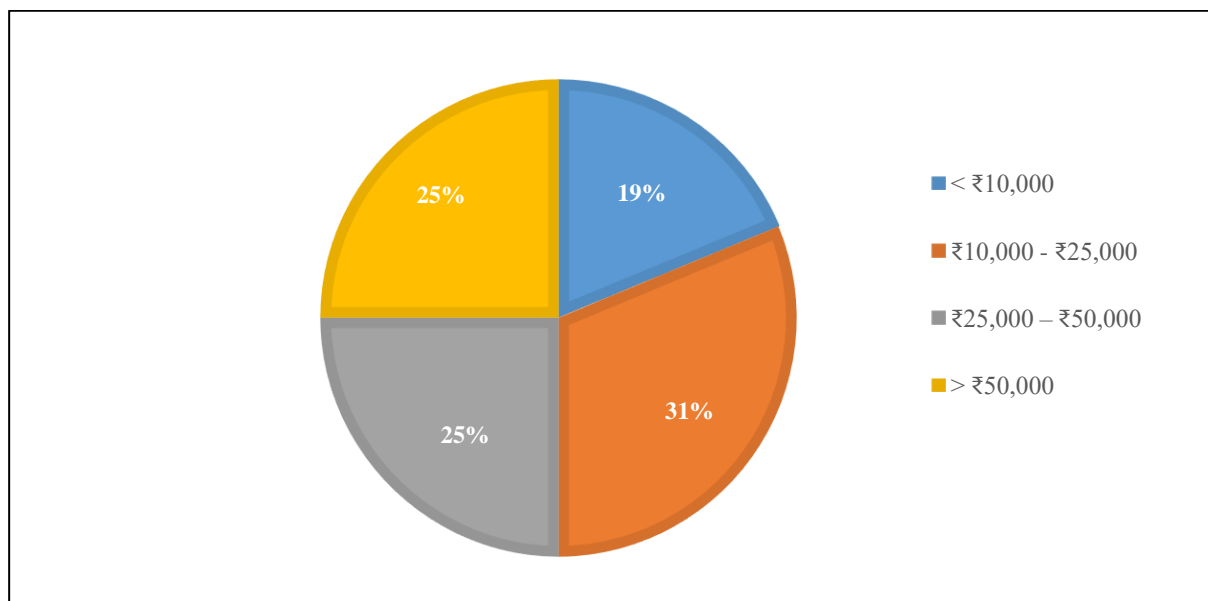
A large majority of the respondents (60%) were students, 25% of the respondents were employees, and the remaining 15% were non-employees.

**Table 5.5:** Showing the distribution of employees based on monthly income

PARTICULARS	NO.OF EMPLOYEES	PERCENTAGE
< ₹10,000	3	19
₹10,000 - ₹25,000	5	31
₹25,000 – ₹50,000	4	25
> ₹50,000	4	25
TOTAL	16	100

(Source: Primary data)

**Chart 5.5:** Showing the distribution of employees based on monthly income



(Source: Table 5.5)

**INTERPRETATION:**

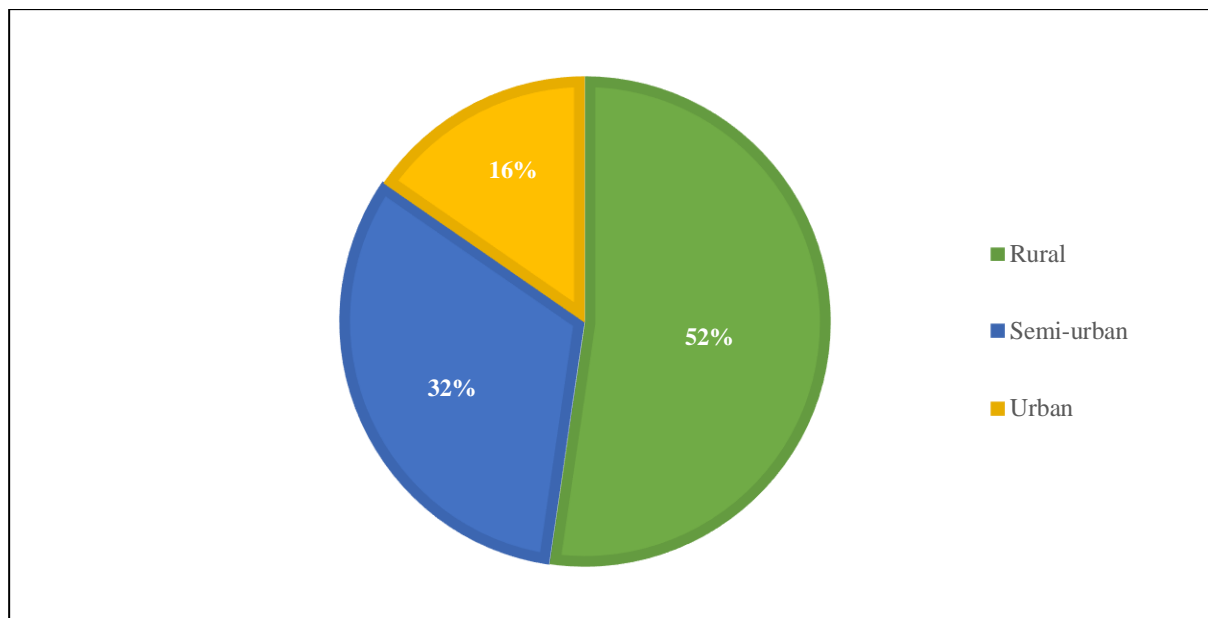
The majority of the employees (31%) have ₹10,000 - ₹25,000 as their monthly income, whereas employees having monthly income of ₹25,000 – ₹50,000 and > ₹50,000 account to 25% each. The remaining 19% of the employees earn < ₹10,000 as their monthly income.

**Table 5.6:** Showing the distribution of respondents based on location

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Rural	10	16
Semi-urban	21	32
Urban	34	52
TOTAL	65	100

(Source: Primary data)

**Chart 5.6:** Showing the distribution of respondents based on location



(Source: Table 5.6)

**INTERPRETATION:**

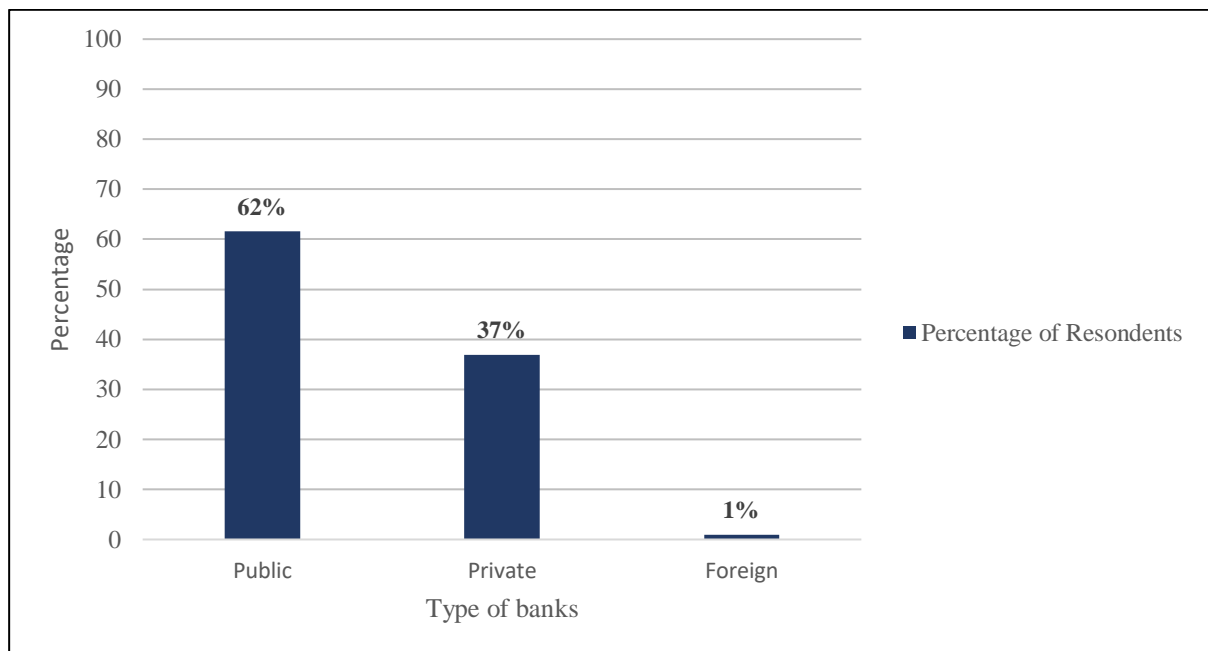
About 32% of the respondents belong to semi-urban areas whereas majority of them (52%) are from urban areas. The remaining 16% are from rural areas

**Table 5.7:** Showing the distribution of respondents based on type of bank

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Public	40	62
Private	24	37
Foreign	1	1
TOTAL	65	100

(Source: Primary data)

**Chart 5.7:** Showing the distribution of respondents based on type of bank



(Source: Table 5.7)

**INTERPRETATION:**

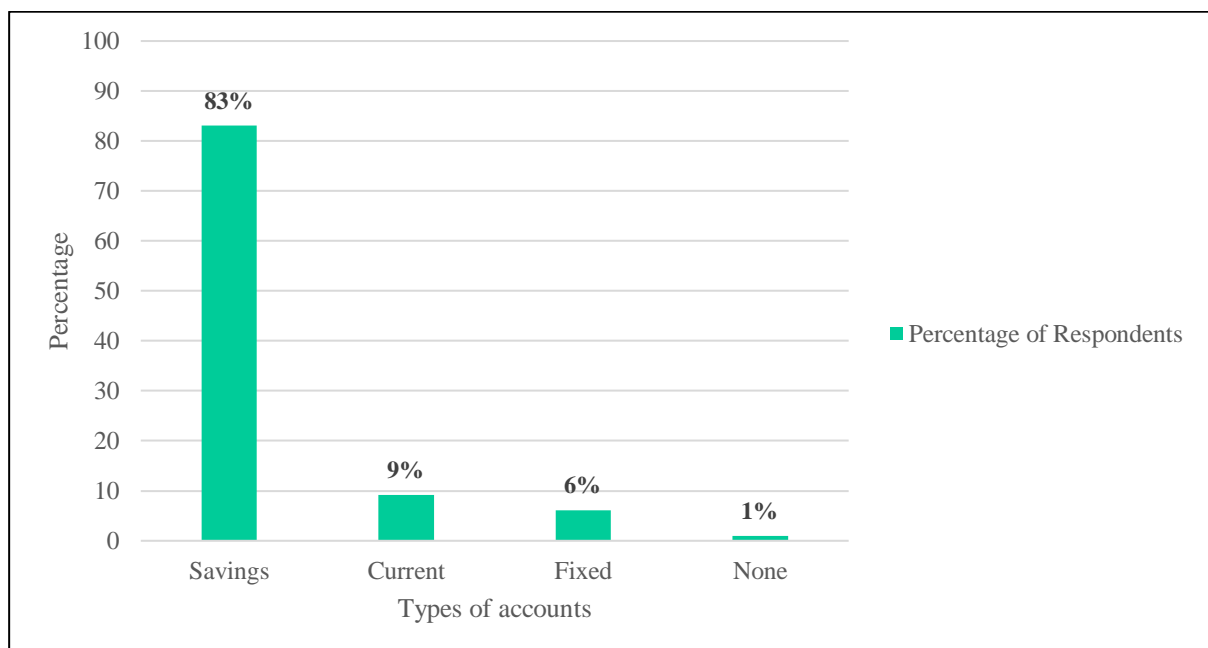
The majority (62%) of the respondents hold bank accounts in public banks, followed by 37% of the respondents holding accounts in private banks, and the remaining have an account in a foreign bank.

**Table 5.8:** Showing the distribution of respondents based on type of account

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Savings	54	83
Current	6	9
Fixed	4	6
None	1	1
TOTAL	65	100

(Source: Primary data)

**Chart 5.8:** Showing the distribution of respondents based on type of account



(Source: Table 5.8)

**INTERPRETATION:**

A large majority of the respondents (83%) hold savings bank accounts, while 9% of them hold current accounts. 6% of the respondents have fixed accounts, and only 1% of the respondents do not hold any bank accounts.

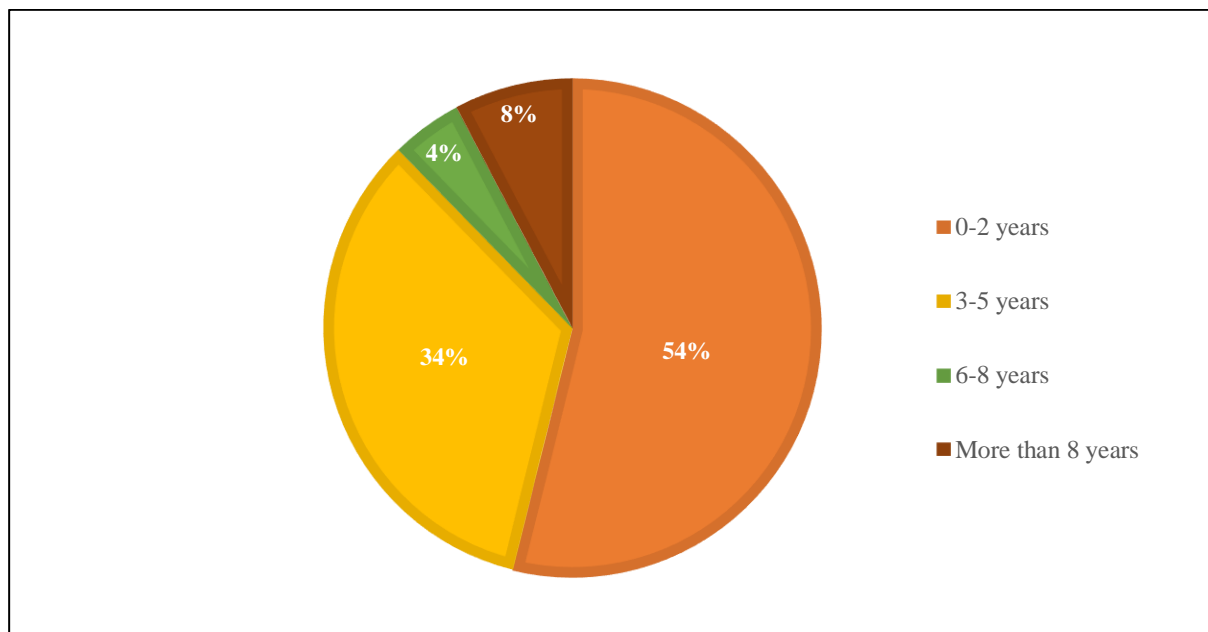


**Table 5.9:** Showing the distribution of respondents based on e-banking experience

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
0-2 years	35	54
3-5 years	22	34
6-8 years	3	4
More than 8 years	5	8
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.9:** Showing the distribution of respondents based on e-banking experience



(Source: Table 5.9)

**INTERPRETATION:**

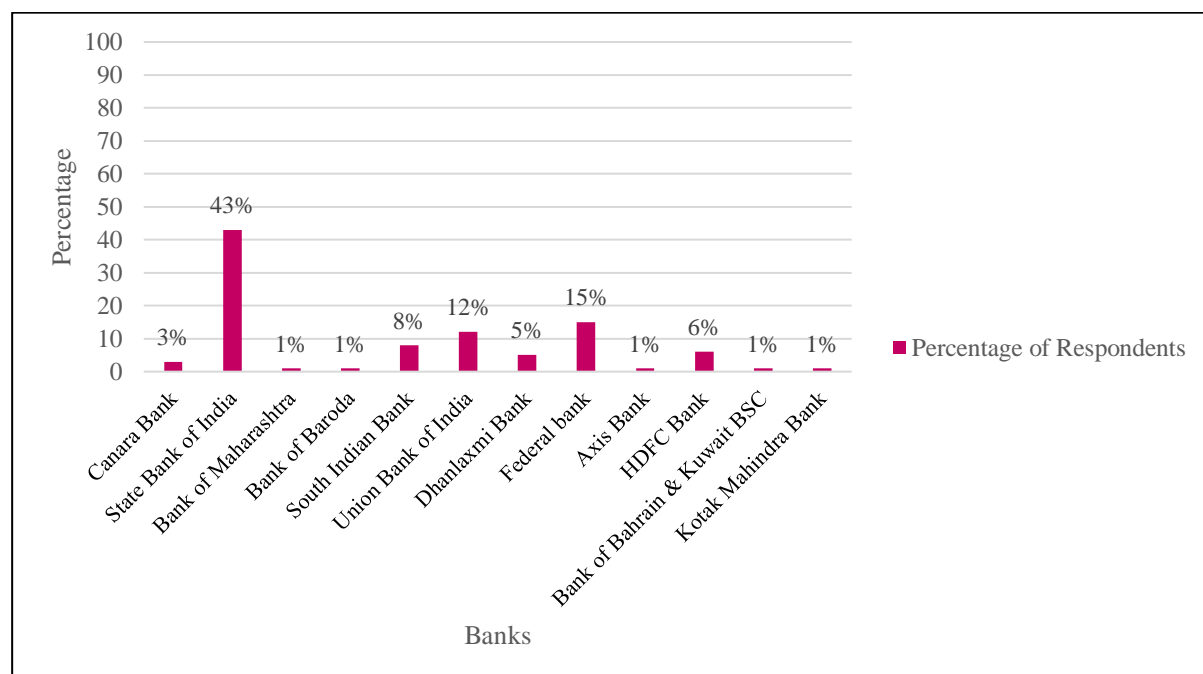
Majority of the respondents (54%) have only 0–2 years of e-banking experience, whereas 34% fall in the 3-5 years’ experience group. 8% of the respondents have more than 8 years of e-banking experience, while the remaining 4% belong to the 6–8 years’ group.

**Table 5.10:** Showing the distribution of respondents based on banks

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Canara Bank	2	3
State Bank of India	28	43
Bank of Maharashtra	1	1
Bank of Baroda	1	1
South Indian Bank	5	8
Union Bank of India	8	12
Dhanlaxmi Bank	3	5
Federal bank	10	15
Axis Bank	1	1
HDFC Bank	4	6
Bank of Bahrain & Kuwait BSC	1	1
Kotak Mahindra Bank	1	1
TOTAL	65	100

(Source: Primary data)

**Chart 5.10:** Showing the distribution of respondents based on banks



(Source: Table 5.10)

**INTERPRETATION:**

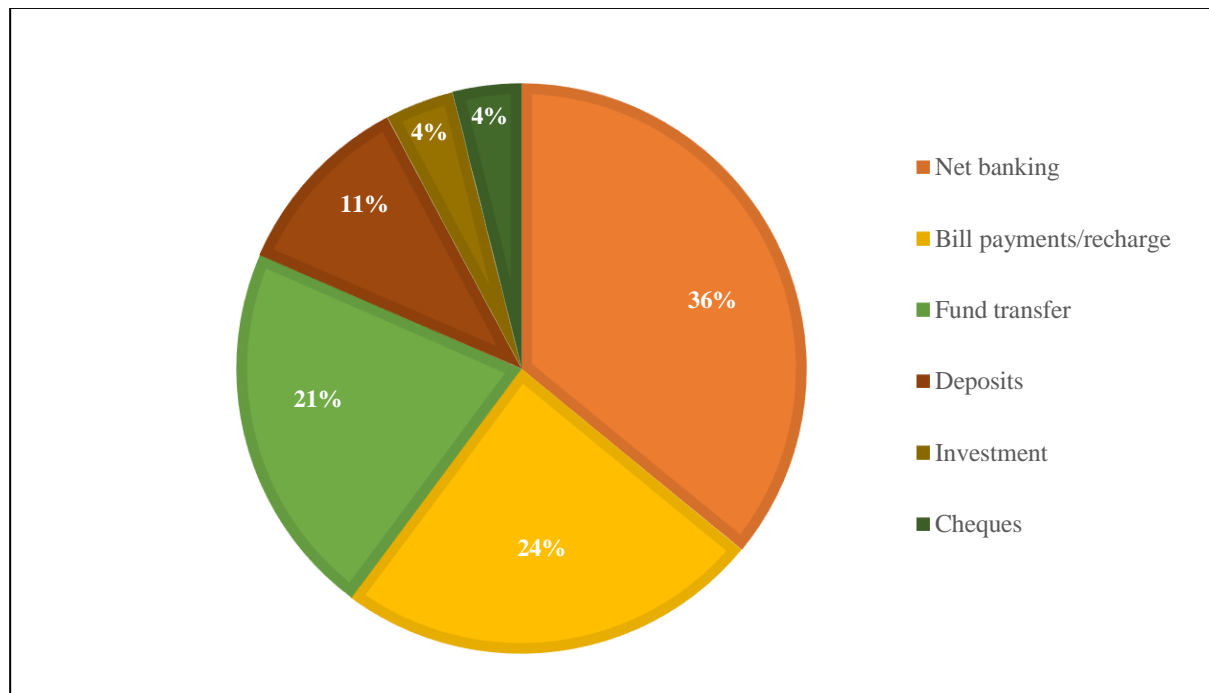
The majority of the respondents (46%) have accounts in the State Bank of India, followed by 15% who have accounts in the Federal Bank. 12% of the respondents have accounts in Union Bank of India, 8% in South Indian Bank, 6% in HDFC Bank, 5% in Dhanlaxmi Bank, and 3% in Canara Bank.

**Table 5.11:** Showing the distribution of respondents based on most used online feature

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Net banking	24	37
Bill payments/recharge	16	25
Fund transfer	14	22
Deposits	7	11
Investment	2	4
Cheques	2	4
TOTAL	65	100

(Source: Primary data)

**Chart 5.11:** Showing the distribution of respondents based on most used online feature



(Source: Table 5.11)

**INTERPRETATION:**

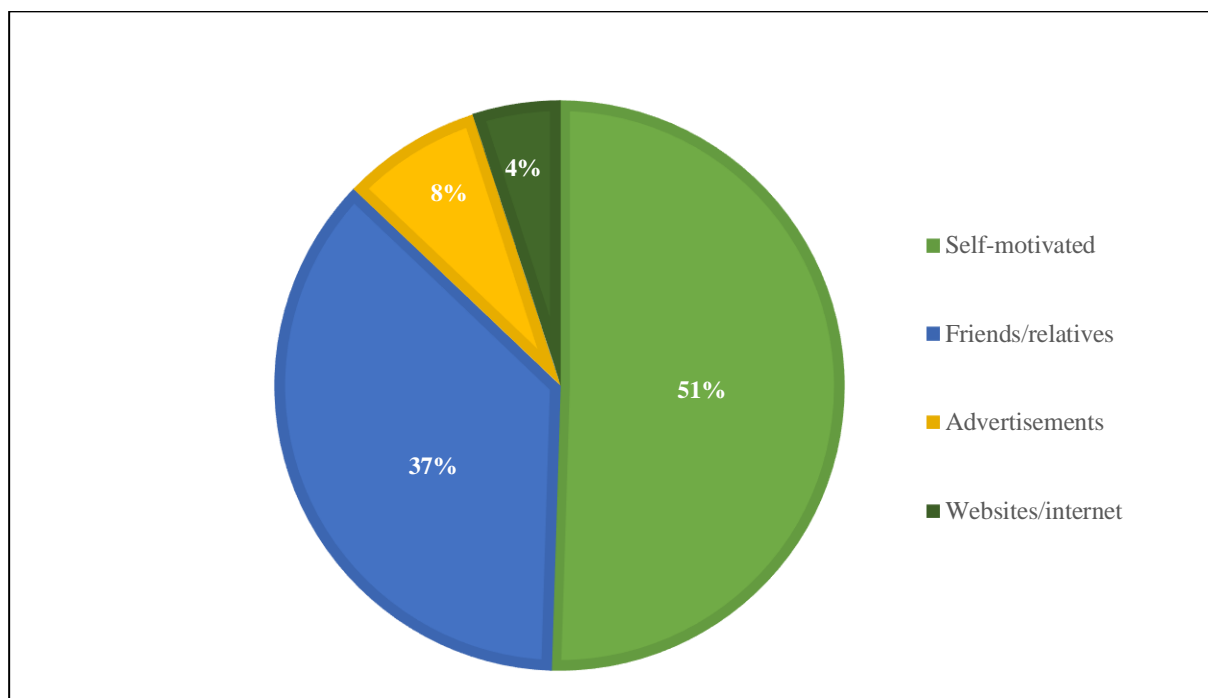
The majority of the respondents (36%) use e-banking mostly for net banking purposes, followed by 24% of them for bill payments or recharges. 21% of the respondents use e-banking for fund transfers and 11% for deposits. The remaining use it for investment and cheques which constitute 4% each.

**Table 5.12:** Showing the distribution of respondents based on motivation

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Self-motivated	33	51
Friends/relatives	24	37
Advertisements	5	8
Websites/internet	3	4
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.12:** Showing the distribution of respondents based on motivation



(Source: Table 5.12)

**INTERPRETATION:**

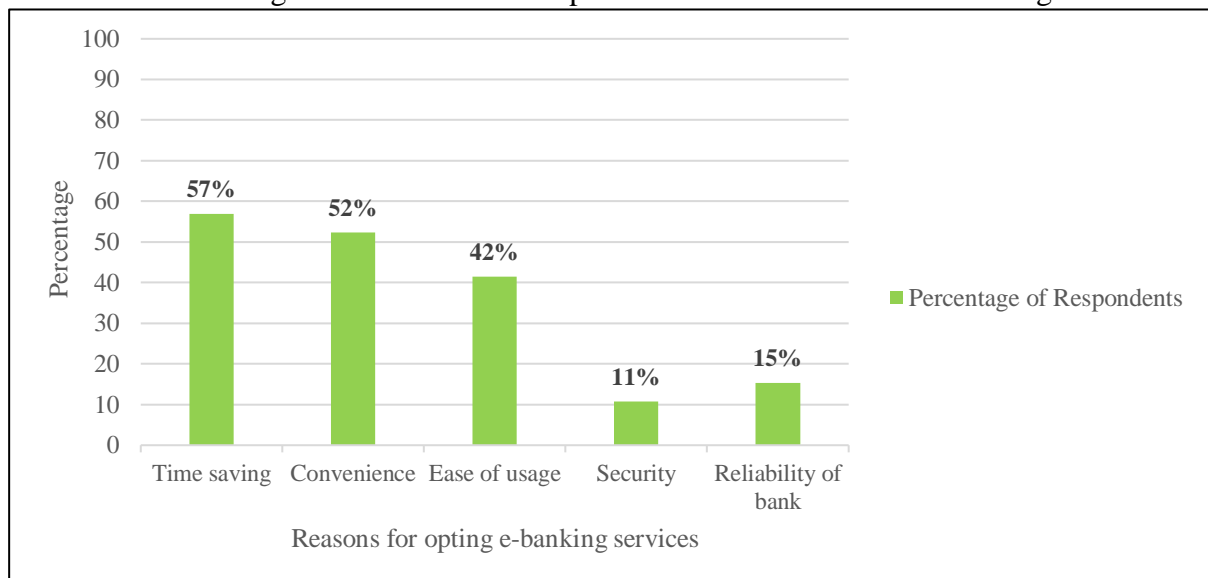
Majority of the respondents (51%) were self-motivated to open an e-banking account, 37% were motivated by their friends or relatives, and 8% were motivated by advertisements. The remaining were motivated by websites or the internet to open an e-banking account.

**Table 5.13:** Showing the distribution of respondents based on merit of e-banking

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Time saving	37	57
Convenience	34	52
Ease of usage	27	42
Security	7	11
Reliability of bank	10	15

(Source: Primary data)

**Chart 5.13:** Showing the distribution of respondents based on merit of e-banking



(Source: Table 5.13)

**INTERPRETATION:**

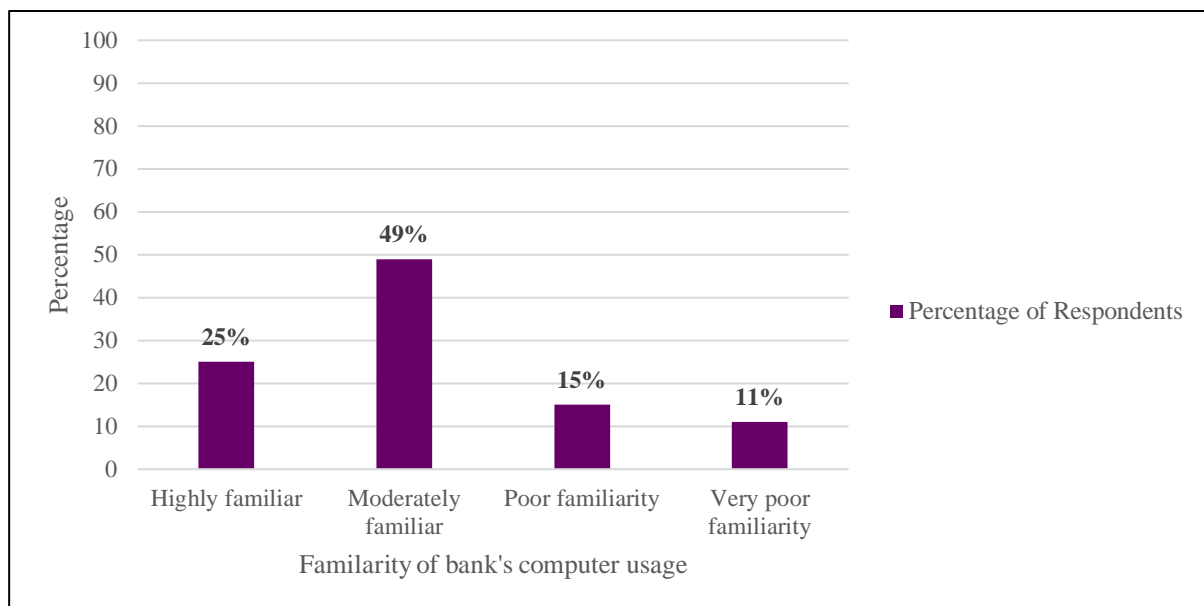
Majority of the respondents (57%) use e-banking services as it is time-saving; 52% use it for its convenience; and 42% for its ease of use. 15% of the respondents use e-banking services for its security feature, and the remaining for the reliability of banks.

**Table 5.14:** Showing respondent's distribution based on familiarity of bank's computer use

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Highly familiar	16	25
Moderately familiar	32	49
Poor familiarity	10	15
Very poor familiarity	7	11
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.14:** Showing respondent's distribution based on familiarity of bank's computer use



(Source: Table 5.14)

**INTERPRETATION:**

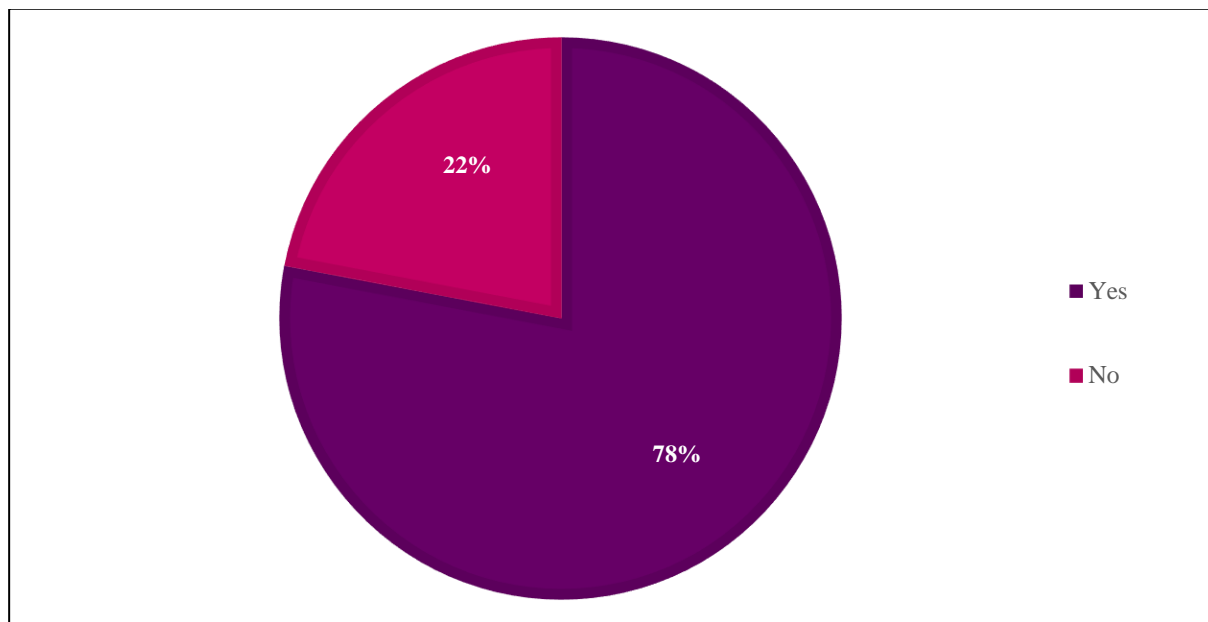
The majority (49%) of the respondents are only moderately familiar with the computer usage levels of their banks, whereas 25% of them are highly familiar. 15% of the respondents have poor familiarity with the computer usage level of their bank, followed by 11% who have very poor familiarity.

**Table 5.15:** Showing respondent's distribution having traditional along with e-bank account

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Yes	51	78
No	14	22
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.15:** Showing respondent's distribution having traditional along with e-bank account



(Source: Table 5.15)

**INTERPRETATION:**

A vast majority of the respondents (78%) have traditional bank accounts along with e-banking accounts, whereas the remaining do not have a traditional account apart from their e-banking accounts.

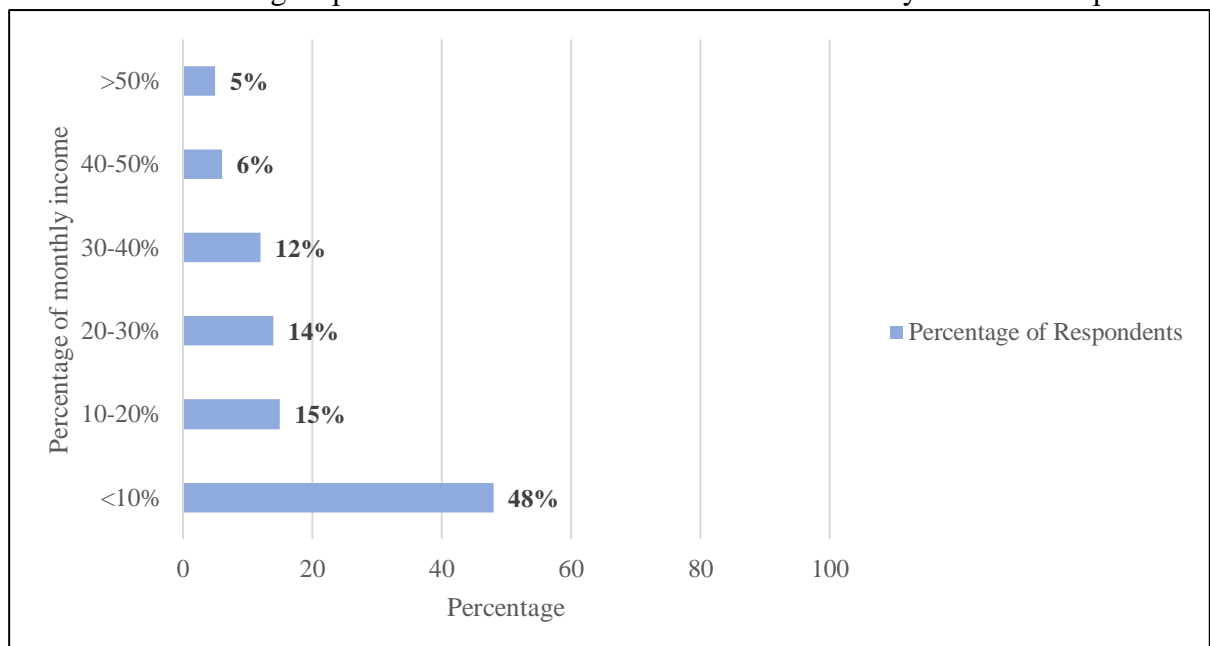


**Table 5.16:** Showing respondent's distribution based on % of monthly income as deposits

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
<10%	31	48
10-20%	10	15
20-30%	9	14
30-40%	8	12
40-50%	4	6
>50%	3	5
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.16:** Showing respondent's distribution based on % of monthly income as deposits



(Source: Table 5.16)

**INTERPRETATION:**

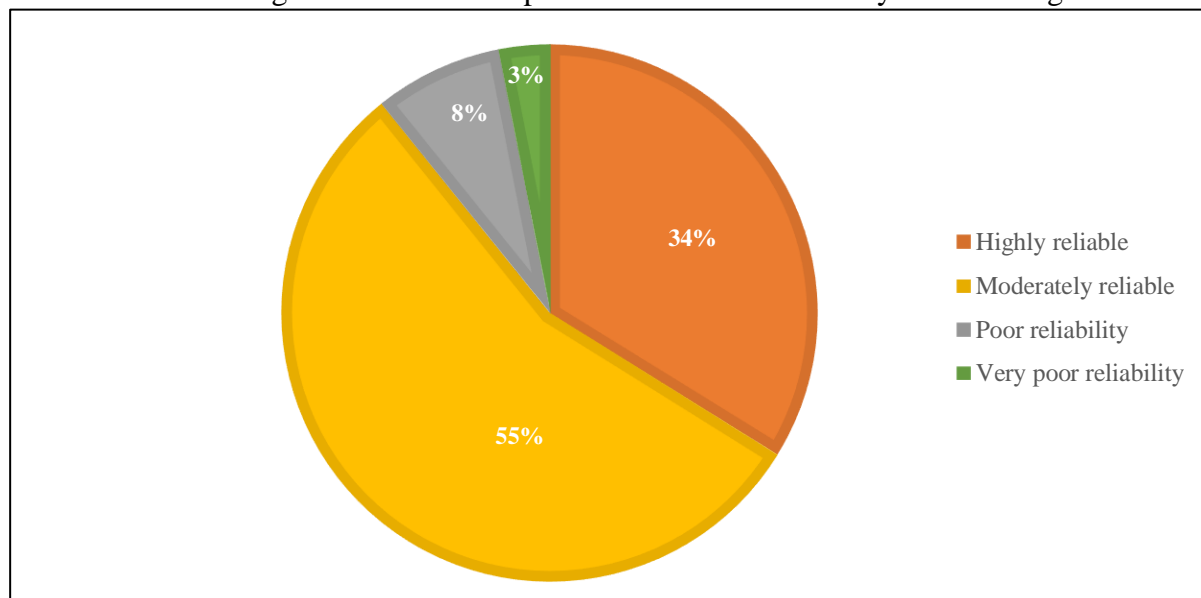
The majority of the respondents (48%) deposit less than 10% of their monthly income into their internet bank account; 15% of them deposit about 10-20% into their e-banking account, followed by 14%, which fall in the group of 20–30%. 12% of them belong to the 30-40% group, while 6% are in the 40-50% group. The remaining, which accounts for only 5%, deposit more than 50% of their monthly savings into their e-banking account.

**Table 5.17:** Showing distribution of respondents based on reliability of e-banking services

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Highly reliable	22	34
Moderately reliable	36	55
Poor reliability	5	8
Very poor reliability	2	3
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.17:** Showing distribution of respondents based on reliability of e-banking services



(Source: Table 5.17)

**INTERPRETATION:**

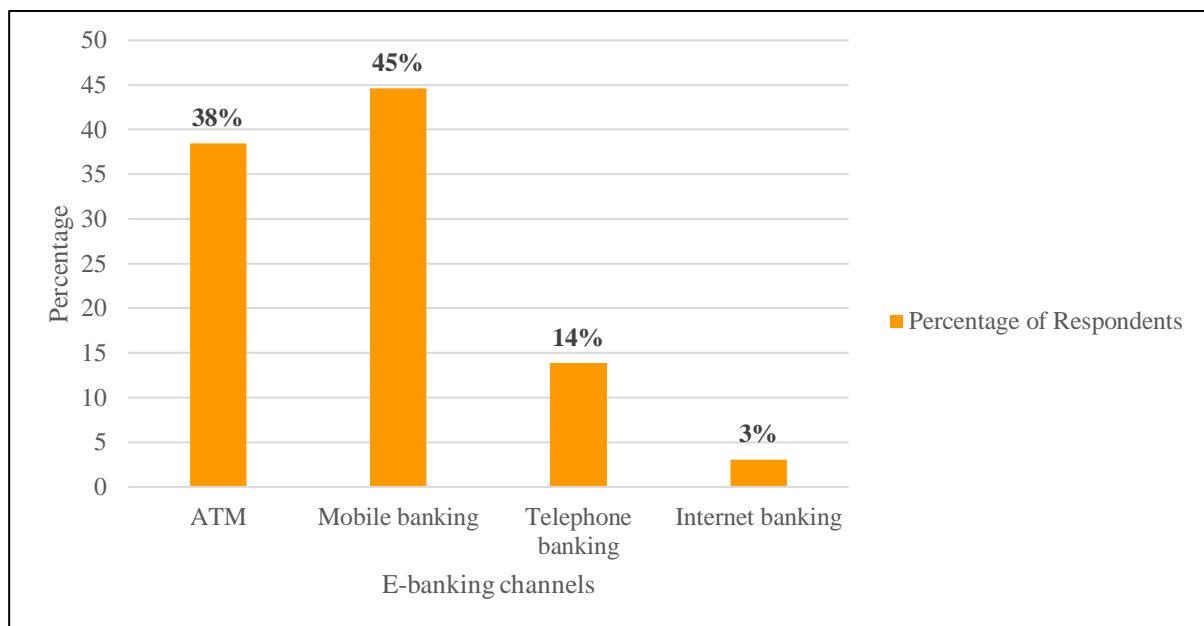
The majority of the respondents (55%) believe that the security of internet banking services is moderately reliable, whereas 34% believe that they are highly reliable. 8% think internet banking services have poor reliability, and the remaining believe that internet services have very poor reliability.

**Table 5.18:** Showing distribution of respondents based on most reliable e-banking channel

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
ATM	25	38
Mobile banking	29	45
Telephone banking	9	14
Internet banking	2	3
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.18:** Showing distribution of respondents based on most reliable e-banking channel



(Source: Table 5.18)

**INTERPRETATION:**

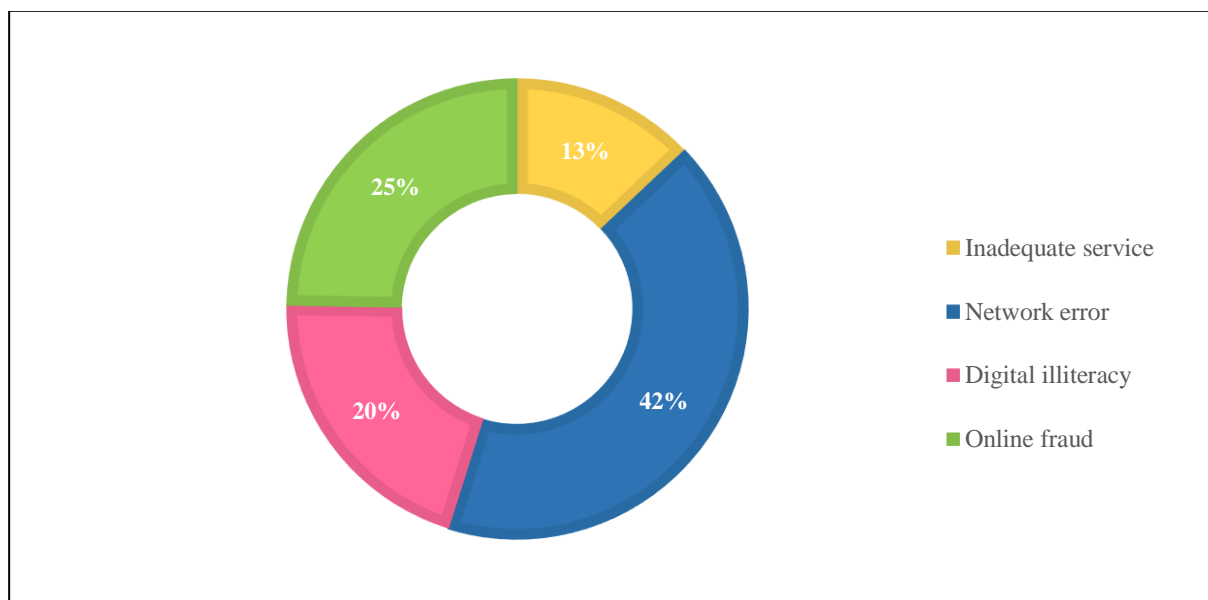
The majority of the respondents (45%) are of the opinion that mobile banking is the most reliable e-banking channel, followed by 38% of the respondents who believe ATMs are the most reliable. 14% of the respondents felt that telephone banking was more reliable than others, whereas only 3% felt that internet banking was more reliable.

**Table 5.19:** Showing distribution of respondents based on dissatisfaction with e-banking

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Inadequate service	12	18
Network error	39	60
Digital illiteracy	19	29
Online fraud	23	35

(Source: Primary data)

**Chart 5.19:** Showing distribution of respondents based on dissatisfaction with e-banking



(Source: Table 5.19)

**INTERPRETATION:**

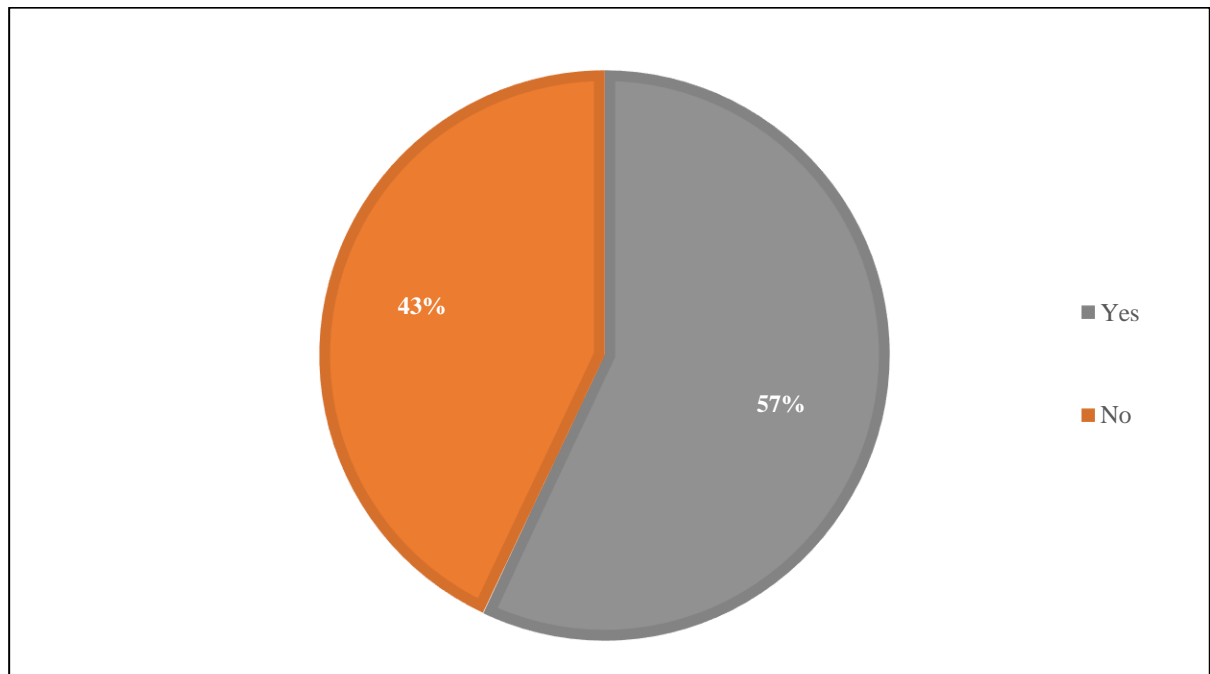
The majority of the respondents (42%) are dissatisfied with e-banking because of network error, whereas 25% of them are dissatisfied because of online fraud. 20% aren't satisfied with the inadequate services of the e-banking system, and the remaining 13% are because of digital illiteracy.

**Table 5.20:** Showing distribution of respondents based on telephone banking awareness

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Yes	37	57
No	28	43
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.20:** Showing distribution of respondents based on telephone banking awareness



(Source: Table 5.20)

**INTERPRETATION:**

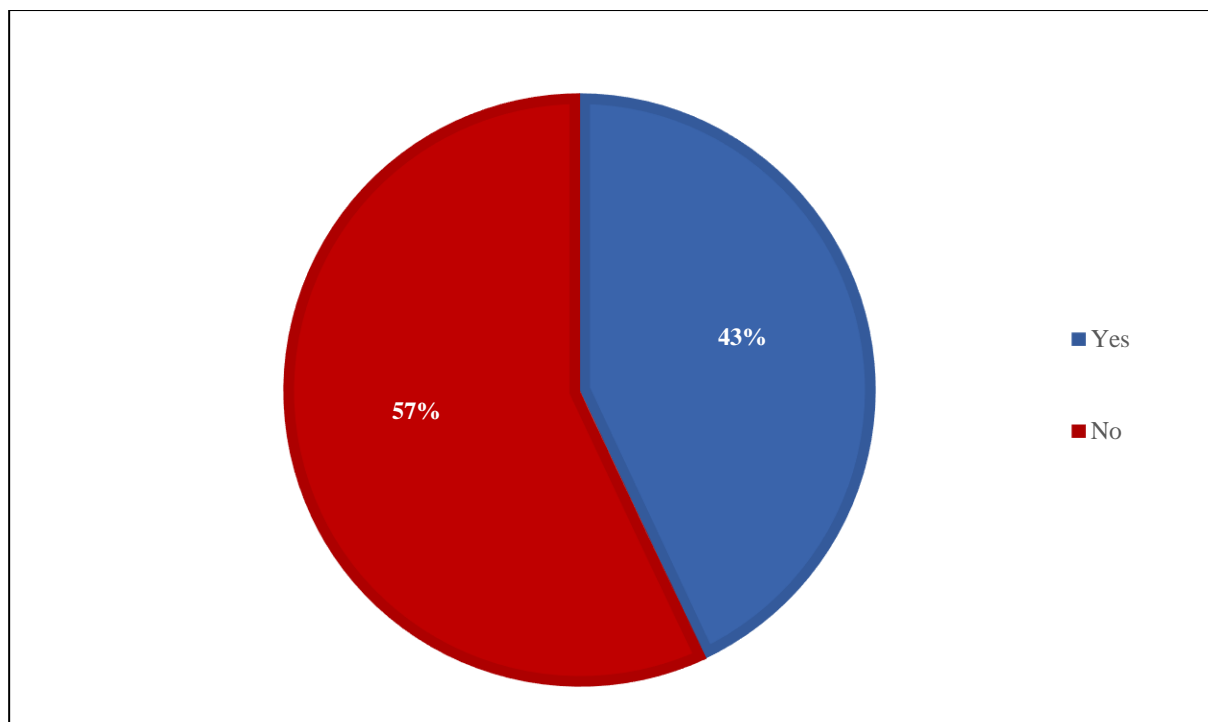
The majority of the respondents (57%) are aware of telephone banking whereas the remaining 43% of the respondents aren't aware of telephone banking.

**Table 5.21:** Showing distribution of respondents based on third party transfer usage

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Yes	28	43
No	37	57
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.21:** Showing distribution of respondents based on third party transfer usage



(Source: Table 5.21)

**INTERPRETATION:**

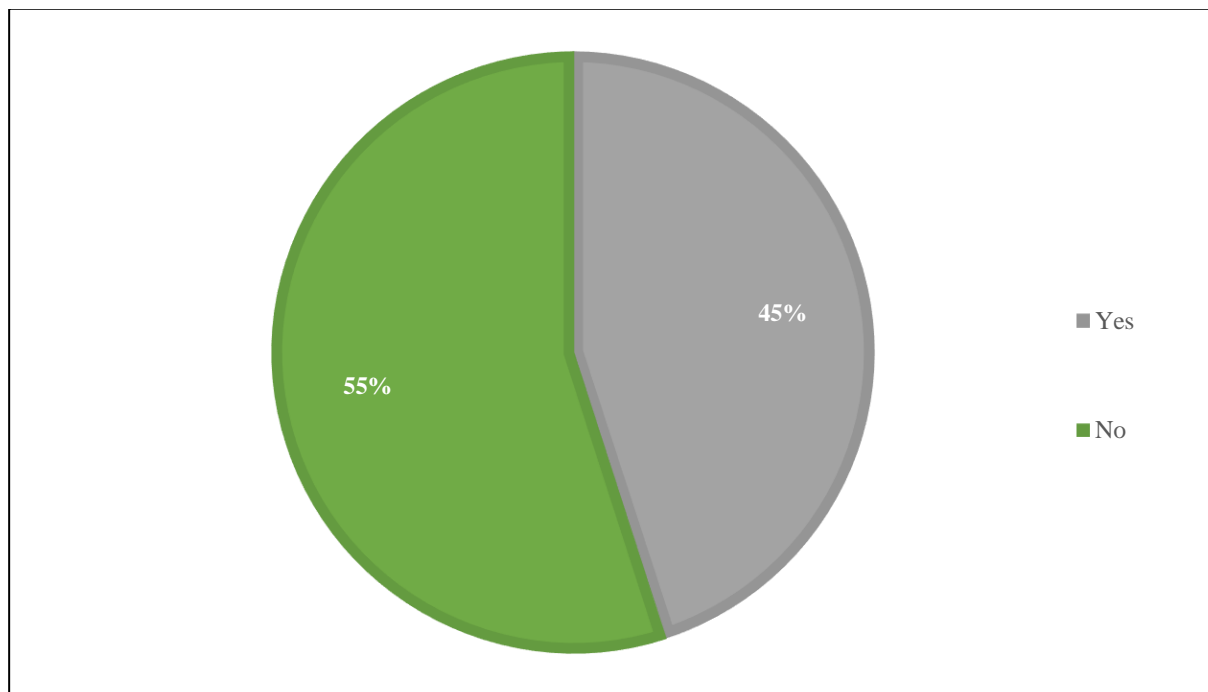
The majority of the respondents (57%) have not used third party transfer of online banking whereas the remaining 43% have used third party transfer of online banking.

**Table 5.22:** Showing distribution of respondents based on security of third party transfer

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	29	45
No	36	55
TOTAL	65	100

(Source: Primary data)

**Chart 5.22:** Showing distribution of respondents based on security of third party transfer



(Source: Table 5.22)

**INTERPRETATION:**

The majority of the respondents (55%) believe that third party transfer system or the entire online banking system does not provide enough security while the remaining 45% believe that the third party transfer system and the entire online banking system provides enough security.

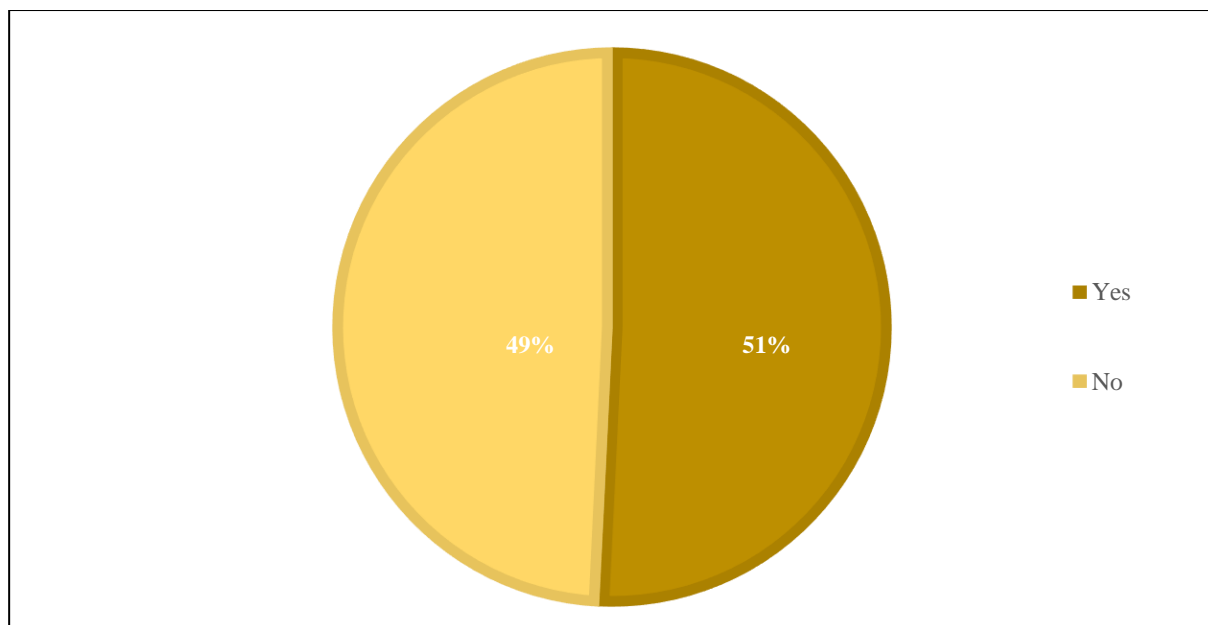


**Table 5.23:** Showing distribution of respondents based on branch visit since online banking

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Yes	33	51
No	32	49
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.23:** Showing distribution of respondents based on branch visit since online banking



(Source: Table 5.23)

**INTERPRETATION:**

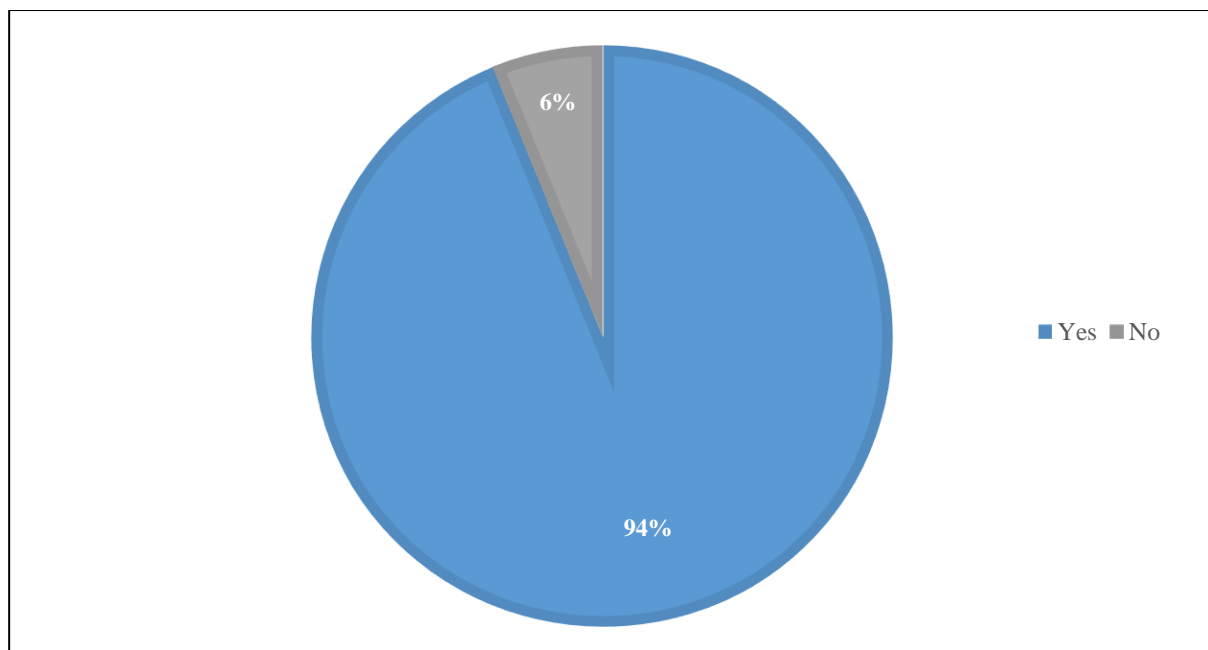
The majority of the respondents (51%) have visited their bank branch since using online banking whereas the remaining 49% haven't visited their branch since availing online banking services.

**Table 5.24:** Showing distribution of respondents based on e-banking recommendation

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	61	94
No	4	6
TOTAL	65	100

(Source: Primary data)

**Chart 5.24:** Showing distribution of respondents based on e-banking recommendation



(Source: Table 5.24)

**INTERPRETATION:**

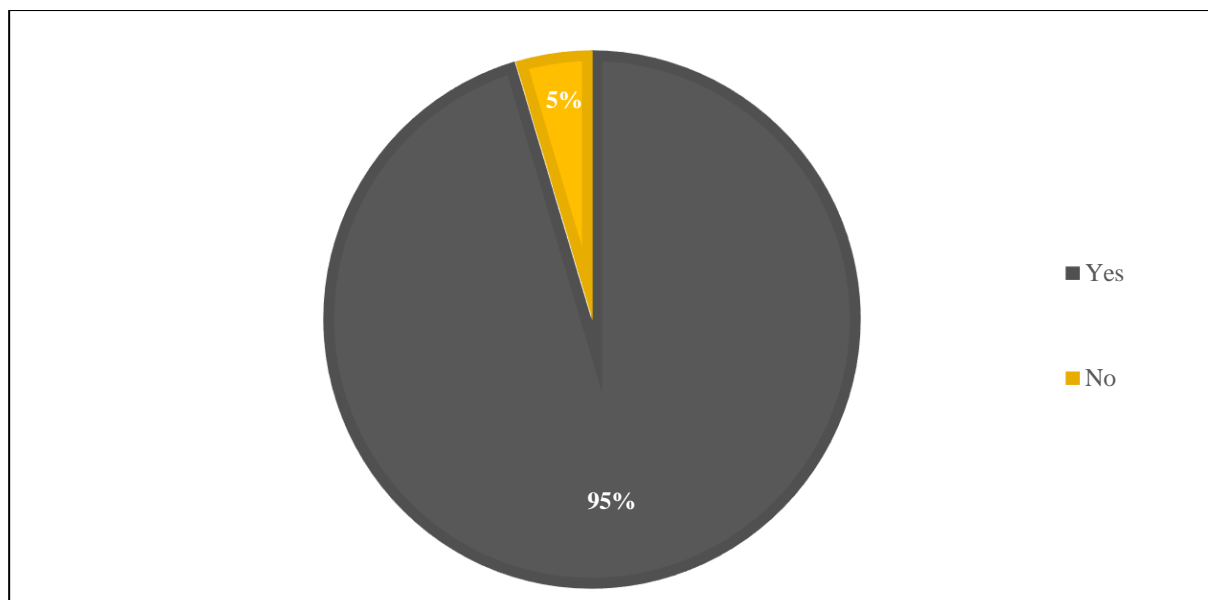
Most of the respondents (94%) would recommend others to use e-banking whereas only 6% wouldn't recommend e-banking to others.

**Table 5.25:** Showing distribution of respondents based on lifestyle compatibility of e-banking

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	62	95
No	3	5
TOTAL	65	100

(Source: Primary data)

**Chart 5.25:** Showing distribution of respondents based on lifestyle compatibility of e-banking



(Source: Table 5.25)

**INTERPRETATION:**

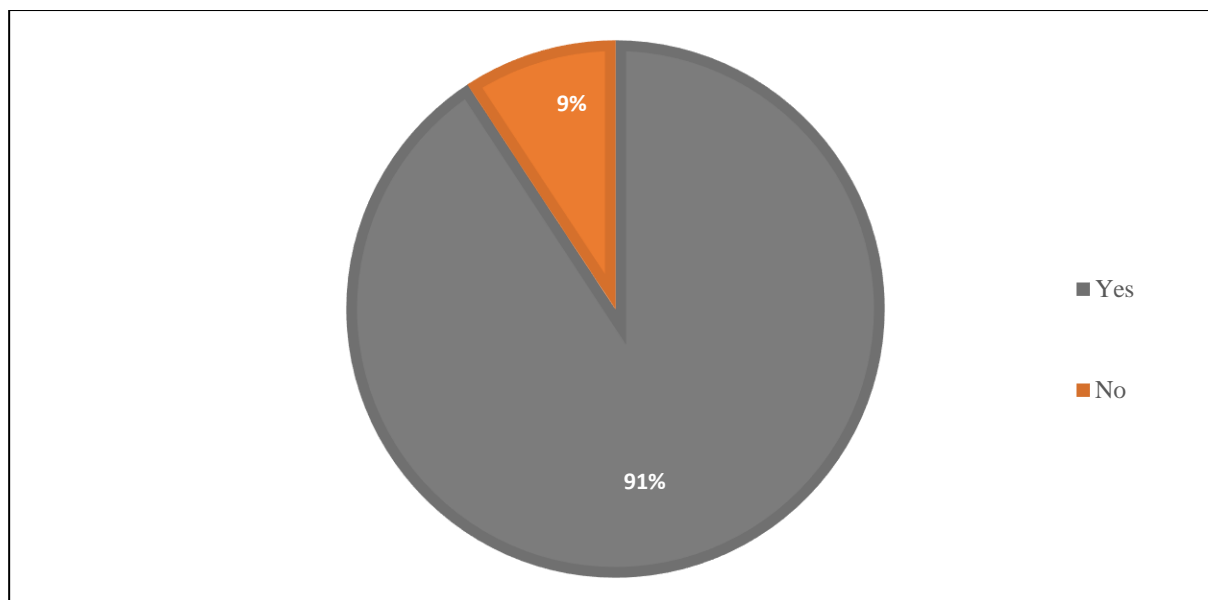
Most of the respondents (95%) believe internet banking is more compatible with their lifestyles while the remaining respondents, which accounts to only 5%, does not feel the same.

**Table 5.26:** Showing distribution of respondents based on e-banking relevance

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	59	91
No	6	9
TOTAL	65	100

(Source: Primary data)

**Chart 5.26:** Showing distribution of respondents based on e-banking relevance



(Source: Table 5.26)

**INTERPRETATION:**

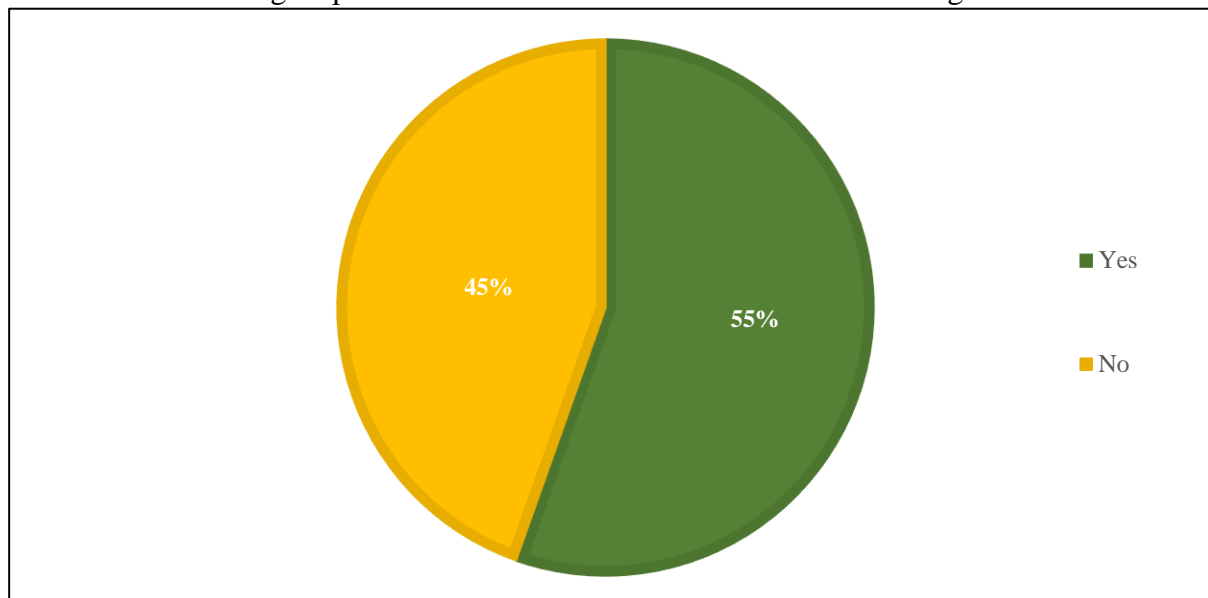
Most of the respondents (91%) believe e-banking is relevant in the present scenario whereas the remaining 9% does not believe that e-banking is relevant in the present scenario.

**Table 5.27:** Showing respondents' distribution based on bank's e-banking service awareness

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	36	55
No	29	45
TOTAL	65	100

(Source: Primary data)

**Chart 5.27:** Showing respondents' distribution based on bank's e-banking service awareness



(Source: Table 5.27)

**INTERPRETATION:**

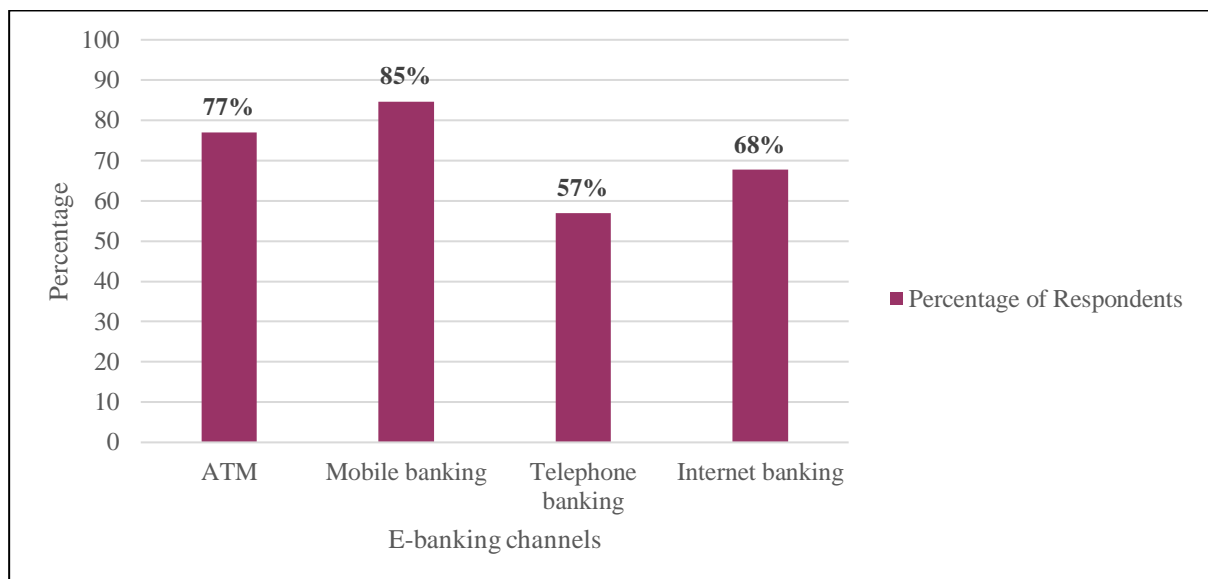
The majority of respondents (55%) were aware of e-banking services provided by their bank while opening a bank account but the remaining 45% were not aware of the e-banking services their banks provide when they opened a bank account.

**Table 5.28:** Showing distribution of respondents based on e-banking channels' awareness

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
ATM	50	77
Mobile banking	55	85
Telephone banking	37	57
Internet banking	44	68

(Source: Primary data)

**Chart 5.28:** Showing distribution of respondents based on e-banking channels' awareness



(Source: Table 5.28)

**INTERPRETATION:**

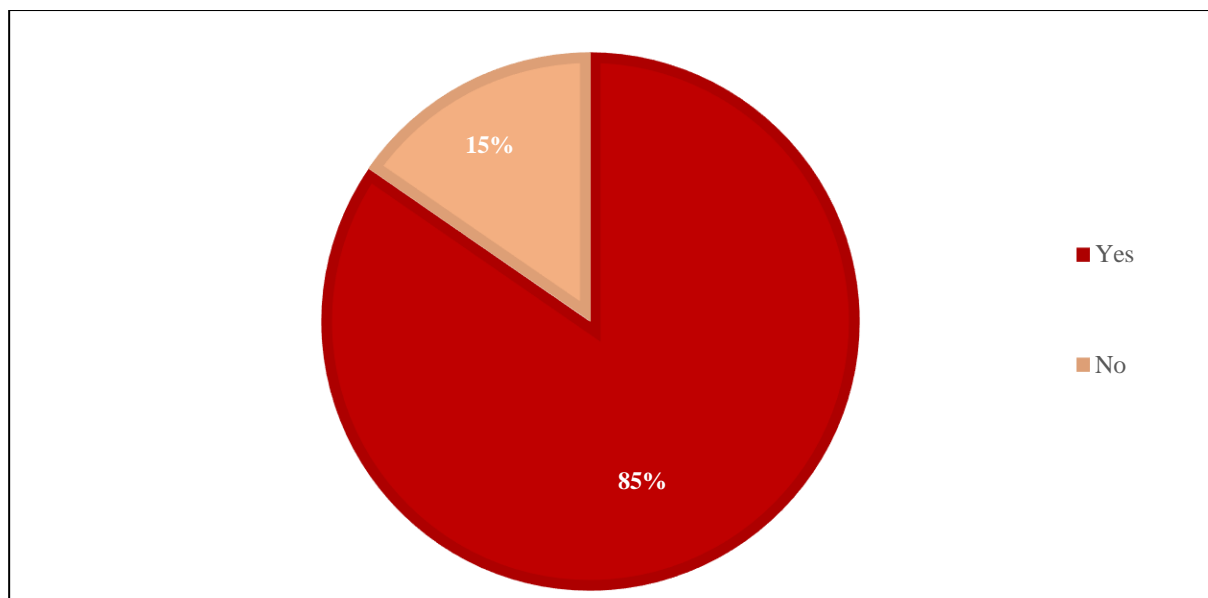
The majority of the respondents (85%) are aware of mobile banking followed by 77% who are aware of ATMs. 68% of the respondents are aware of internet banking services and telephone banking is the e-banking channel the respondents (only 57%) are least aware of.

**Table 5.29:** Showing distribution of respondents based on e-banking's cyber fraud concerns

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	55	85
No	10	15
TOTAL	65	100

(Source: Primary data)

**Chart 5.29:** Showing distribution of respondents based on e-banking's cyber fraud concerns



(Source: Table 5.29)

**INTERPRETATION:**

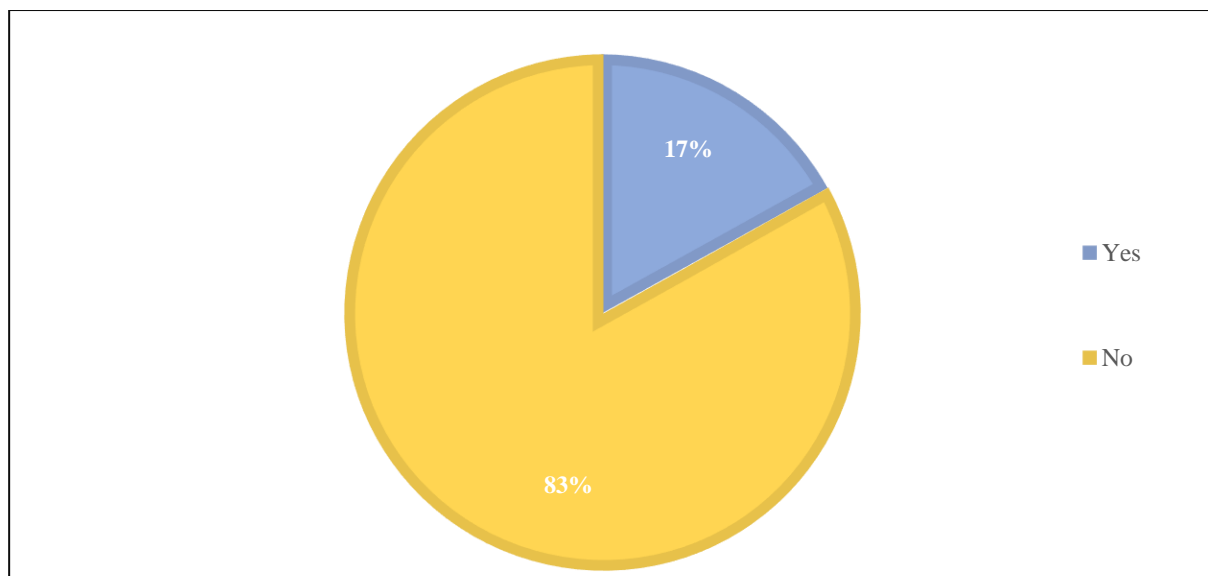
Most of the respondents (85%) are concerned about cyber frauds in e-banking whereas only 15% are not concerned about the cyber frauds in the e-banking system.

**Table 5.30:** Showing distribution of respondents based on being victims of cyber fraud

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Yes	11	17
No	54	83
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.30:** Showing distribution of respondents based on being victims of cyber fraud



(Source: Table 5.30)

**INTERPRETATION:**

Most of the respondents (83%) haven't been victims of cyber fraud but 17% of the respondents have been victims of cyber fraud.

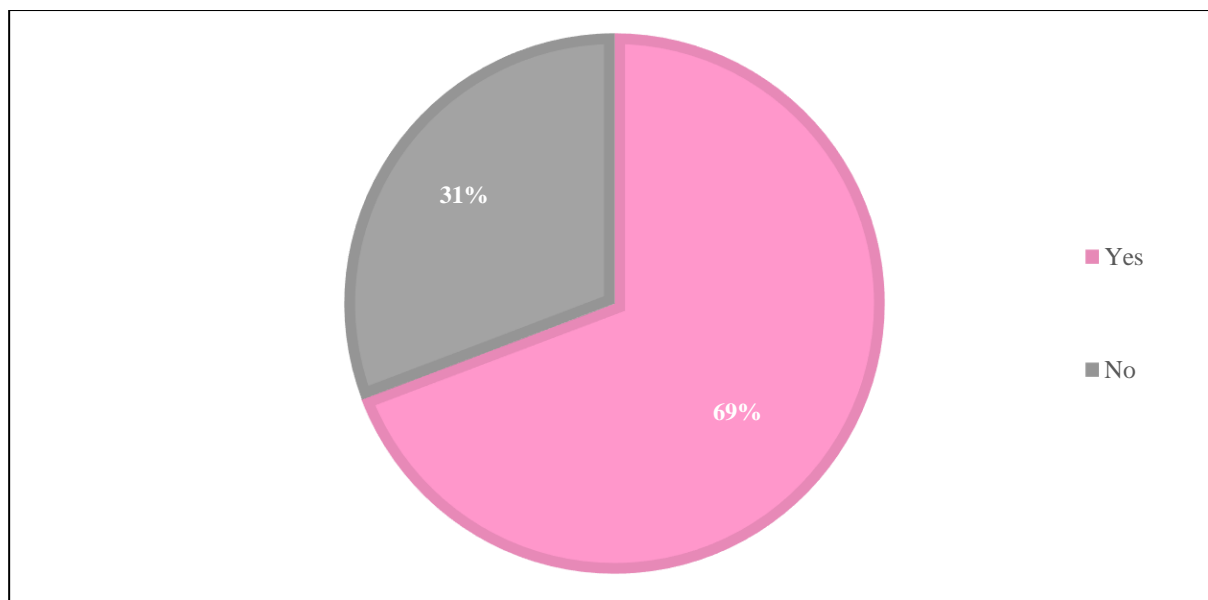


**Table 5.31:** Showing distribution of respondents based on knowing victims of cyber fraud

PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
Yes	45	69
No	20	31
TOTAL	65	100

(Source: Primary data)

**Chart 5.31:** Showing distribution of respondents based on knowing victims of cyber fraud



(Source: Table 5.31)

**INTERPRETATION:**

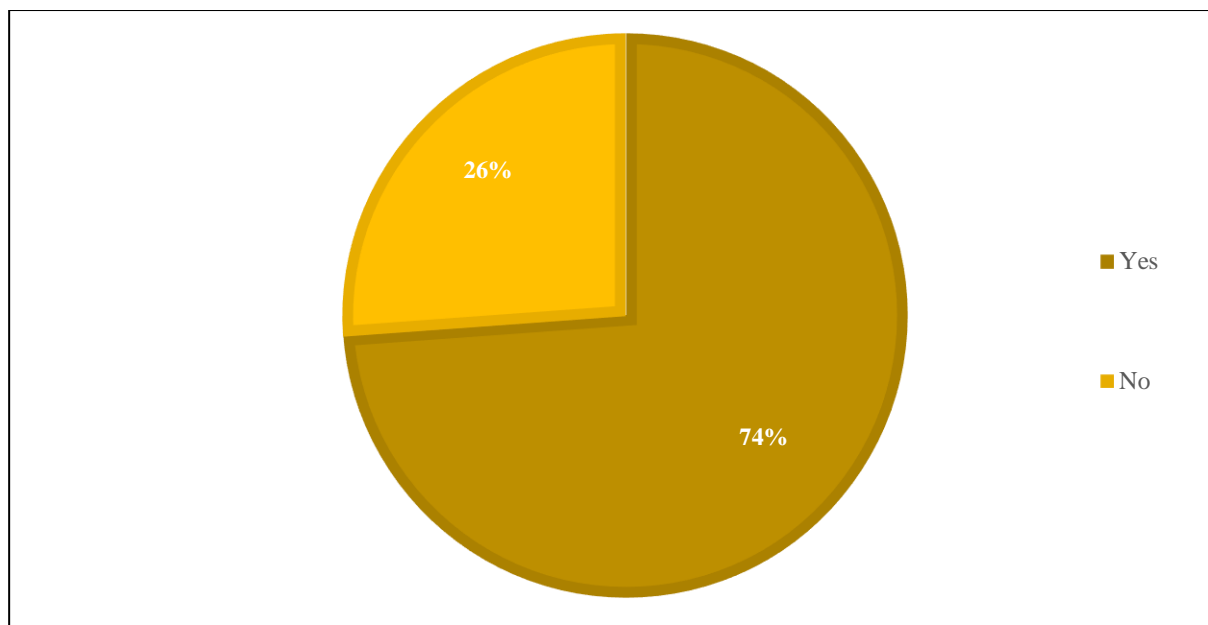
Most of the respondents (69%) have heard of their friends, relatives or someone they know being victims of cyber fraud whereas only 31% of them haven't heard of someone they know being victims of cyber fraud.

**Table 5.32:** Showing distribution of respondents based on complaint solution

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Yes	48	74
No	17	26
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.32:** Showing distribution of respondents based on complaint solution



(Source: Table 5.32)

**INTERPRETATION:**

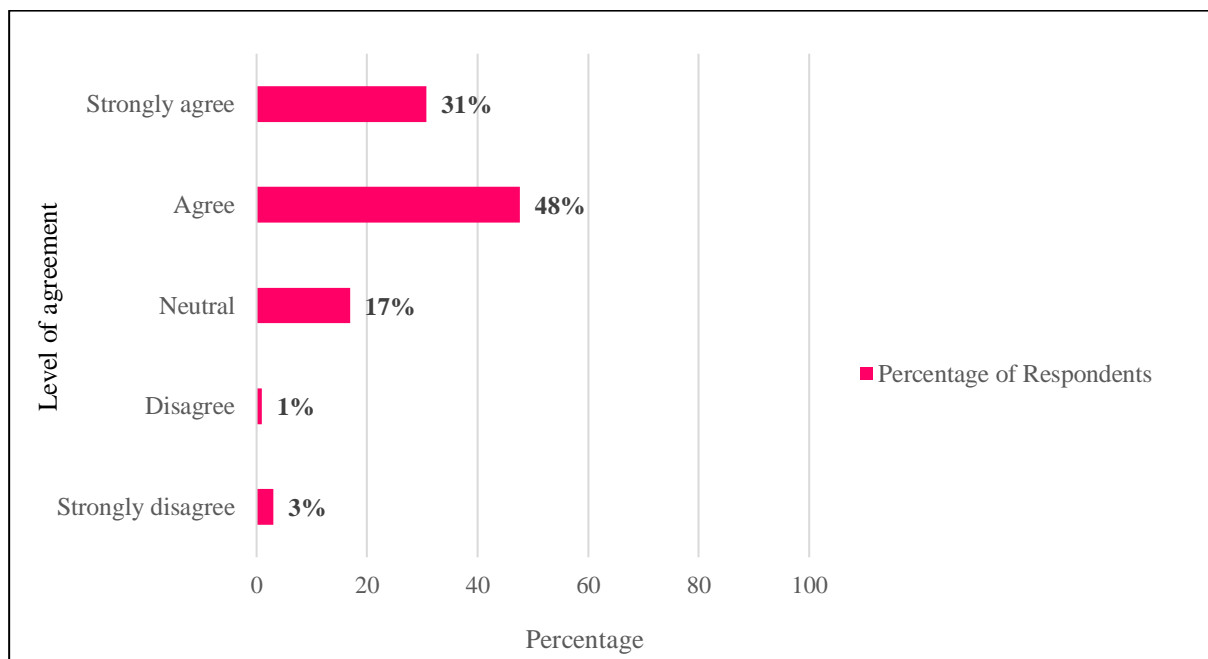
Most of the respondents (74%) believe that if they come across cyber fraud in online banking their problem will get resolved whereas the remaining 26% does not feel the same.

**Table 5.33:** Showing distribution of respondents based on e-banking being more reliable

<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
Strongly agree	20	31
Agree	31	48
Neutral	11	17
Disagree	1	1
Strongly disagree	2	3
<b>TOTAL</b>	<b>65</b>	<b>100</b>

(Source: Primary data)

**Chart 5.33:** Showing distribution of respondents based on e-banking being more reliable



(Source: Table 5.33)

**INTERPRETATION:**

The majority of the respondents (48%) agree that e-banking is more reliable than traditional banking, followed by 31% who strongly agree to the same. 17% of the respondents are neutral whereas 3% of them strongly disagree to this statement and the remaining disagree.

## **CHAPTER 5: FINDINGS, SUGGESTIONS AND CONCLUSION**

## 5.1 FINDINGS

This project is intended to study the levels of customer awareness and reliability towards e-banking channels. The study is limited to a sample size of 65 respondents and primary data through questionnaire was collected for the purpose of study. Data gathered through questionnaires is tabulated and analysed using percentages and the result is presented with the help of pie charts and bar diagrams.

The major findings of the study are as follows:

- ❖ Majority of the respondents belong to the 20-30 age group whereas the least number of respondents are from the 30-40 age group.
- ❖ An analysis on the basis of gender shows that majority of the respondents are females.
- ❖ It is understood that most of the respondents are undergraduates and, the least number of respondents are illiterate.
- ❖ It is evident that a large majority of the respondents are students and the least number of them are non-employees.
- ❖ An analysis regarding the monthly income of employees revealed that majority of them have ₹10,000 - ₹25,000.
- ❖ It was noticed that majority of the respondents were from urban areas whereas a small portion of them were from rural areas.
- ❖ Majority of the respondents hold bank accounts in public banks followed by a portion of them having accounts in private banks.
- ❖ A large majority of the respondents have savings account while the least number of them do not hold any accounts.
- ❖ The majority of the respondents have only 0-2 years of e-banking experience while only a small segment of the respondents has 6-8 years of e-banking experience.
- ❖ It was noticed that majority of the respondents have accounts in the State Bank of India, followed by Federal Bank and a very small portion of the respondents have accounts in Canara Bank.
- ❖ It was noticed that majority of the respondents use e-banking for net banking purposes while only a small portion use e-banking for investments or cheques.
- ❖ A great share of the respondents was self-motivated to open a e-banking account whereas only a small portion were motivated by websites or the internet.

- ❖ It was brought to attention that approximately half of the respondents use e-banking services as it is time-saving, convenience and ease of usage.
- ❖ The majority of the respondents are moderately familiar with the computer usage level of their banks and a small portion of them have poor familiarity.
- ❖ A vast majority of the respondents have traditional accounts along with e-banking accounts whereas the remaining do not.
- ❖ The majority of respondents deposits less than 10% of their monthly income into their internet bank account whereas only a small portion of them deposit more than 50% of their monthly savings into their e-banking account.
- ❖ The majority of the respondents believe that the security of internet banking services is moderately reliable, followed by those who believe that it is highly reliable and only a small portion of them believe that internet services have very poor reliability.
- ❖ Approximately half of the respondents are of the opinion that mobile banking is the most reliable e-banking channel, followed by those who believe ATMs are the most reliable whereas only 3% felt that internet banking was more reliable.
- ❖ The majority of respondents were dissatisfied with e-banking because of network error, some due to online fraud and a few faulting digital illiteracy.
- ❖ An analysis regarding telephone banking awareness revealed that the majority of the respondents are aware of it while some were not.
- ❖ It was understood that majority of the respondents have not used third party transfer of online banking while the remaining have.
- ❖ The majority of respondents believe that third party transfer system or the entire online banking system does not provide enough security while the remaining does not feel the same.
- ❖ More than half of the respondents have visited their bank branch since using online banking whereas the remaining half haven't.
- ❖ A very large majority of the respondents would recommend others to use e-banking while a very small minority of them wouldn't.
- ❖ It is evident that most of the respondents believe internet banking is more compatible with their lifestyles while the remaining respondents does not feel the same.
- ❖ Most of the respondents believe e-banking is relevant in the present scenario whereas the remaining does not think so.
- ❖ More than half of the respondents were aware of e-banking services provided by their bank while the other half weren't aware of it.

- ❖ The most popularly known e-banking channels among the respondents were mobile banking and ATMs and the least popular one was telephone banking.
- ❖ Most of the respondents were concerned about cyber frauds in e-banking whereas only a small minority weren't concerned.
- ❖ It was brought in attention that majority of the respondents haven't been victims of cyber fraud but a minority of them have been.
- ❖ Majority of the respondents have heard of their friends, relatives or someone they know being victims of cyber fraud whereas the rest haven't.
- ❖ Many of the respondents believe that if they come across cyber fraud in online banking their problem will get resolved whereas the remaining does not feel the same.
- ❖ The greater share of the respondents agree that e-banking is more reliable than traditional banking while only a small portion of them disagree.

## 5.2 SUGGESTIONS

The banking sector can adopt some of the following strategies to increase customers' awareness and reliability towards e-banking channels:

- Banks can increase their usage of online banking services.
- Online security level should be increased in order to reduce unreliable practices so that customers can rely more on services provided by e-banking channels.
- Banks should ensure that they have their banks listed in online platforms.
- Advertising the merits of online banking can also help the banking sector grow.
- Prompt actions against cyber fraud should be taken to enforce security
- Simplify account opening process
- Make card/account blocking process smooth and easy
- Encourage customers to use third party transfer system by emphasizing its ease of usage and time saving properties.
- Ensure that retails shops and payment centres have 24/7 internet access to avoid network issues.
- Banks can promote the use of licensed anti-virus software along with account opening process to ensure security.
- Since the digital divide exist in a nation like India, there are many people who does not have digital literacy. Hence, it is very important for institutions to impart digital education to such group. Only then will they be able to use e-banking channels. Government must take initiatives to impart digital literacy among those who are not digitally literate.



### **5.3 CONCLUSION**

The project entitled “A Study on the Levels of Customer Awareness and Reliability Towards E-banking Channels” was undertaken to understand customer’s perception towards e-banking channels. E-banking is a rapidly growing sector in the banking industry. E-banking proved highly essential when the pandemic hit and it indicates how crucial it is for the future. With the rapid growth in technology and the increase in usage of online services, it is essential to keep up with the demand of the public. To meet the expectations of the consumers banking sector has to provide adequate services and redress any complains that arise. It is necessary for banking sector to do so as customer satisfaction plays a key role in assuring the success of the industry.

The study revealed that majority of the customer are aware of the e-banking channels and believe that they are reliable. The main problems the sector faces are issues due to network connections, online frauds and inadequate online services. To eliminate these issues banking establishments must take steps such as increasing security, provide faster and better online services, simplify online banking procedures and so on. The study also pointed out that many of the respondents, that mostly consists of students, haven’t used third party transfer system as they believe the system isn’t reliable and they often face technical issues. Banking institutions by coordinating with retail centres should ensure that steps are taken so that such technical issues are eliminated and, customers should be educated about the ease of usage and time-saving aspects of third party transfer system.

# **ANNEXURE**

## QUESTIONNAIRE TO RESPONDENTS

1. Age:

- <20                       20-30  
 30-40                       >40

2. Gender:

- Male                       Female  
 Other

3. Educational qualification:

- Illiterate                       Diploma  
 U.G                       P.G  
 Any other

4. Whether you are a student or employee/non-employee?

- Student                       Employee  
 Non-employee

5. Monthly income:

- <10,000                       10,000 - 25,000  
 25,000 – 50,000                       >50,000

6. Location:

- Rural                       Semi-urban  
 Urban

7. What type of bank is yours?

- Public                       Private  
 Foreign

8. What type of account do you hold?

- Savings  Current  
 Fixed  None

9. What is your E-banking experience?

- 0-2 years  3-5 years  
 6-8 years  more than 8 years

10. In which bank do you have an account?

---

11. Which online feature do you use often?

- Net banking  Bill payments/recharge  
 Fund transfer  Investment  
 Deposits  Cheques

12. What motivated you to open E-banking account?

- Self-motivated  Advertisements  
 Friends  Websites/internet  
 Other

13. What were your reasons for choosing our online banking services?

- Time saving  Convenience  
 Ease of usage  Security  
 Reliability of bank  Other

14. How familiar are you with computer usage level of your bank?

- Highly familiar  Moderately familiar  
 Poor familiarity  Very poor familiarity

15. In addition to your internet bank account do you also have a traditional bank account?

- Yes  No

16. What percentage of your monthly household income do you deposit to your internet bank account?

- 10%  10-20%  
 20-30%  30-40%  
 40-50%  >50%

17. How reliable is the security of internet banking services?

- Highly reliable  Moderately reliable  
 Poor reliability  Very poor reliability

18. Which of the following e-banking channel is the most reliable?

- ATM  Mobile banking  
 Telephone banking  Internet banking

19. What are your reasons behind dissatisfaction with e-banking or factors you think should be improved?

- Inadequate service  Network error  
 Digital illiteracy  Online fraud  
 Other

20. Are you aware of Telephone banking?

- Yes  No

21. Have you used third party transfer of online banking?

- Yes  No

22. Do you think third party transfer system and/or the entire online banking system provides you enough security?

- Yes  No

23. Have you ever visited your bank branch since using online banking? If “Yes”, state the reason for your visit to the branch instead of choosing online banking.

Yes  No

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24. Would you recommend others to use e-banking?

Yes  No

25. Do you think internet banking is more compatible with your lifestyle?

Yes  No

26. Do you think e-banking is relevant in present scenario?

Yes  No

27. While opening up a bank account, were you aware of the e-banking services provides by your bank?

Yes  No

28. Which of the following e-banking services are you aware of?

ATM  Mobile banking  
 Telephone banking  Internet banking  
 All of the above

29. Are you concerned about cyber frauds in e-banking?

Yes  No

30. Have you been a victim of cyber fraud in online banking?

Yes  No

31. Have you heard about any cyber fraud that has happened to your friends/relatives or someone you know?

Yes

No

32. If you come across a cyber fraud in online banking, do you think you will get your complaint resolved?

Yes

No

33. E-banking is more reliable than traditional banking.

Strongly agree

Agree

Neutral

Disagree

Strongly disagree

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