

**A STUDY ON CUSTOMER PERCEPTION & PSYCHOLOGY TOWARDS E –
BANKING WITH REFERENCE TO MUMBRA REGION**

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ABSTRACT

Due to the technological advancement banks have improved its services & operating successfully since last two decades. Banks have been providing E-Banking service to its customers effectively. The present study is based on survey of psychology & perception of customer towards E-Banking services. It is an attempt to determine the development & future of E-Banking in our country. The study concludes that future of E- Banking is bright, if the banks modify their services & upgrade their information technology system, so as to survive in the emerging competitive situation. It is hoped that this study would make a small contribution in this area which will assess the future of e-banking from customer point of view. The basic aim is to find the response towards e- banking facilities provided by various banks in Mumbra region.

INTRODUCTION

Traditional functions of banks are limited to accept deposits & to give loan & advances. Banking system in India has under for significant changes during last two decades. Information technology has given rise to new innovation & transformation. Today's banking is known as innovation banking. Banks are on the urge of major changes where the single largest force

behind the transformation is Information technology. Thus e- banking has been important part of Indian banking sector.

Initially E-Banking has being around since past number of years, but since last few years it has seen continuous growth. E- Banking in used by banks as a channel for receiving instructions & delivery their product services to their customers. Different On-line services like balance enquiry, request for cheque book, stop payment instructions, balance transfer, account opening etc are provided by the banks. In other words it offers E-Banking product & services.

Online transaction are made using internet explorer. For E-Banking any user with personal computers can browse and get connected to their banks web sites to perform any of the virtual banking functions. The various services offered under E- Banking include

1 Debit card/ credit card / smart card

2 ATM

3 Electronic fund transfer system (EFT)

4 Electronic banking systems

5 Mobile banking

6 Phone banking

7 Demat A/c etc.

ABOUT MUMBRA REGION

Mumbra is as fast growing town & suburb of Thane district. Since last ten years the population of Mumbra has double. The population of region is almost comprises of businessman, NRI or employed person and daily wage earner. Reality sectors have also boomed during last few years. To explore and grab better avenues and opportunities many nationalized and private bank have

made entry into this region and are trying to provide with better banking product and services to attract consumer.

Objective of study

1. To understand the various product and services provided by the bank under e-banking
2. To study the psychological aspects of perception a of customer towards e-banking
3. To analyze the future of e-banking service in Mumbra region
4. To suggest various means to make e-banking successfully in India

Research methodology

To achieve the objective of the study data is collected through,

Sources of data

Primary – Questionnaire & personal interview.

Secondary- Journals, magazines, books and online resources.

Sampling plan

Population- bank customer of various selected banks operating in Mumbra region

- .Bank of Maharashtra.
- .Canara bank.
- . State bank of India.
- .Abhyudaya co-operative bank.

- .Development credit bank.

Sampling Design

Simple random sampling for banks customers.

Sample size

5 banks, 20 customer, sample size = 100

Limitations

- Data collection has been done from limited banks; hence findings have got their own limitations.
- Respondent might be biased and not interested to give complete information.
- Time factor was the limitation as the consumer did not have appropriate and adequate time to solve my queries.

Result and discussion

- ❖ Socio-economic back ground of the selected respondent:

Range	Age	Range	Income	Range	Qualification	Range	Sex
Less than 20	30	Non earning	23	HSC	36	61	male
20-30	38	Less than 1 lakh	28	bachelor	45	39	female
30-40	22	1 -5lakh	36	masters	19		
40 &above	10	5lakh &above	13				

- Data is collected through customer survey.

Socio- economic background affects the perception & psychology of customer deeply. The results of the above table reveals that out of 100 responded 38% are of age group 20-30 years whereas 30% are of less 20 years and others are above 30 years and above age group. 61% of responded are male & 39% are female, 45% are qualified, having bachelor degree, 36% are HSC and 19% among them are post- graduate. On the other hand majority of respondent earned income between 1 lakh to 5 lakh.

❖ Respondents attitude, perception and psychology towards e-banking:

1. Are you aware of e-banking services provided by your bank?	Yes 72	No 28
2. Do you want improvement in e-banking services?	64	36
3. Are you satisfied with the e-banking services provided by your bank?	87	13
4. Should traditional banking replaced with e-banking.	85	15
5. Are you satisfied with bank charges to avail e-banking facilities?	58	42
6. Is future of e-banking bright?	89	11
7. Do you use e-banking services?	78	22

From the above table it is opined that customer are aware about e-banking services and their perception towards e-banking is positive. There is bright for e-banking in India of appropriate strategy is adopted to upgrade technology.

❖ Response regarding reasons for not using e-banking services provided by the banks:

	Yes	No
1.Poor network	32	68
2.lack of knowledge to operate	21	79
3. location not convenient	13	87
4.time consuming	25	75
5.lack of knowledge product & services	37	63

From the above table it is exhibited that due to lack of knowledge about E- products and services, poor network, most of the customer are not using e-banking services whereas majority of the customer are satisfied with e-banking services.

Findings

- It as being found as 72% of the bank customer is aware of e -banking concept.
- It has been found out that 37% of customers are not aware about E- banking product services.

- It has been found that despite of being educated, customer hesitate to use E-banking services as they feel online banking is unsafe.
- It has been revealed that 85% respondent wanted the traditional banking to be replaced by E-Banking.
- Development credit bank have got dominance in Mumbra region for providing better E banking facility.
- It is revealed that there is still a group of bank consumer who are not willing to use E-banking, for such a customer bank can check out effective marketing strategies for E- Banking adoption.

Conclusion and suggestion

- Bank should take initiative to organize training campaign for their customer to boost use of e- banking.
- Easy method to operate online banking should be installed by the bank so as to make more and more customer to use net banking..
- More efforts should be taken by bank in undertaking advertisement and promotional campaign so that greater awareness among consumer is created.
- More focus should be given on appropriate network facility in the Mumbra region
- E-banking has become very important for the survival of bank in the changing banking industry.

The paper has tried to explain the important factors to evaluate the customer perception and psychology towards E- banking in the selected region. Overall it is suggested that bank should follow strategies of e-bank like use of technology to provide innovative products and services to challenge the competitive environment. if it does not follow the new work culture ,they will soon be out of the race, as customers expect better services with attractive package. A satisfied customer is an asset for the bank and hence adds to the banks goodwill.

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