

Original Research Article

A Study On Customers' Perception Towards Online Banking Service With Special Reference To Vilavan code Taluk

R. Anitha Kumari^{1*}, R. Shoba Rani².

^{1*}Research Scholar (Reg. No. 19123101012004), Department of Commerce, Nanjil Catholic College of Arts and Science, Kaliyakkavilai, .Email : anitharameshcj82@gmail.com (Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Thirunelveli -12) Tamil Nadu, India.

²Head and Assistant Professor, Department of Commerce, Nanjil Catholic College of Arts and Science, Kaliyakkavilai, Email : shobenimin@gmail.com. (Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Thirunelveli -12) Tamil Nadu, India.

*Corresponding author: R. Anitha Kumari

*Research Scholar (Reg. No. 19123101012004), Department of Commerce, Nanjil Catholic College of Arts and Science, Kaliyakkavilai, .Email : anitharameshcj82@gmail.com (Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Thirunelveli -12) Tamil Nadu, India.

ABSTRACT

The main aim of this study is to study on customers' perception towards online banking services in Vilavan code Taluk. In this study, in order to analyses the level of satisfaction and analyses the problems of online banking customers in Vilavan code Taluk. This research was undertaken on the basis of data collected from both primary and secondary sources. The primary data was gathered from the 100 respondents who are using online banking services of private and public sector banks with the help of questionnaires. The respondent selected through the convenient sampling method. The analysis was carried out with the help of statistical measurements Chi-square and Likerts attitude test. The secondary data were collected from the websites, journals, Books, and Newspapers etc.. This study reveals that most of respondents were overall satisfaction with their online banking service. After the study concluded that, the online banking service meet success and when the customers satisfied with the online banking service except network problem.

KEYWORDS: Online Banking, satisfaction, perception, services, problems, private and public sector bank.

INTRODUCTION

Online banking is the term used for new age banking system. Online banking offers the convenience of banking from anywhere, at any time of the day or night. It is a free facility provided by the banks to their customers. Nowadays all banks provide online banking facility to their customers as an added advantage. Gone are the days, when one had to transact with a bank which was only in his local limits. Online banking has opened the doors for all customers, to operate beyond boundaries. Nowadays, people are so busy in their work lives, that they don't even have time go to the bank for conducting their banking transactions. Using a safe website, this is operated by their respective banks. It provides many features and functions to their customers and enables them to view their account balance, transfer money from their account to another account view their accounts summary etc.....

OBJECTIVES OF THE STUDY

- To measure the level of satisfaction of customers on online banking service.
- To know the problems faced by the customer in availing online banking services of private and public sector banks in Vilavan code Taluk.

STATEMENT OF THE PROBLEM

Nowadays all banks provide online banking facility to their customers as an added advantage. Gone are the days, when one had to transact with a bank which was only in his local limits. Online banking has opened the doors for all customers, to operate beyond boundaries. Nowadays, people are so busy in their work lives, that they don't even have time go to the bank for conducting their banking transactions. Using a safe website, this is operated by their respective banks. It provides many features and functions to their customers and enables them to view their account balance, transfer money from their account to another account view their accounts summary etc.. The present study "customers perception towards online banking service belongs to vilavancode Taluk".

The online banking customers in vilavan code Taluk they faced some problems such as knowledge, set-up cost, network problems, processing fee, technical issues, privacy issues etc... Because the literacy in vilavancode Taluk is lesser than the others. If either educated or uneducated person they should need lack of knowledge to operate online banking facility. So they feel accessing of online banking service is very complicated to them.

IMPORTANCE OF THE STUDY

The need of this study is to find out how exactly are customers coping with these technological change in the traditional banking system, to discuss their satisfaction and how effective or non-effective. The researcher also wants to know the risk involved in online banking strategies and how they affect the average customer, also to know if it's just another corporate strategy or an innovative way that can be adapted by customers to solve problem.

METHODOLOGY

In this study "the customers' perception towards online banking services of special reference to Vilavan code Taluk". This research was undertaken on the basis of data collected from both primary and secondary sources. The primary data was gathered from the 100 respondents who are using online banking services of private and public sector banks with the help of questionnaires. The secondary data were collected from the websites, journals, Books, and Newspapers etc. The data were analysis with the help of statistical measurements Chi-square and Likerts attitude test.

ANALYSIS AND INTERPRETATION

Table 1 : Overall satisfaction with online banking service

Satisfaction	No of respondents	% of respondents
Highly satisfied	10	10
Satisfied	50	50
Neutral	31	31
Dis-satisfied	4	4
Highly dis satisfied	5	5
Total	100	100

Source : Primary data

The above table shows that, 50% respondents were satisfied with online banking service, 31% respondents were neutral in online banking service, 10% respondents are highly satisfied with online banking service, 5% respondents were highly dis-satisfied with online banking service and

4% respondents were dis-satisfied with online banking service.

LIKERTS ATTITUDE TEST

Scales are devices for measuring variables in social science research. In likert’s scale each item is evaluated on the basis of how well it discriminate between those person whose total score is high and those whose score is less. The scale consists of number of statement which express either a favorable or un favorable satisfaction towards the objective of the study. As there is no readymade scale to measure the level of satisfaction, a scale namely’’ the attitude scale’’ was used. The respondents were requested mention their satisfaction toward satisfied, highly satisfied, dis-satisfied or highly dis-satisfied. With the below factors related to the satisfaction; Gender, Education, Size of family members, Type of accounts, Type of banks, Habit of online banking, Financial services

Mean score for each factor is determined as:

Mean score = Total score/ no of respondents.

Likert’s five point scaling techniques used to analyse the attitude of respondents towards the satisfaction factor. Scale were allotted as follows;

Highly satisfied – 5, Satisfied – 4, Neutral -3, Dis- satisfied - 2, Highly dis-satisfied -1

The following are the range of scores fixed for determining the level of attitude of the respondents towards the satisfactions incurred to the online banking service

0 to 2- low level of attitude

2 to 4 – medium level of attitude

4 to 6- high level of attitude

Table 2: Opinion about their satisfaction

Opinion	Scores	No of respondents	Total score
Highly satisfied	5	10	50
Satisfied	4	50	200
Neutral	3	31	93
Dis-satisfied	2	4	8
Highly dis-satisfied	1	5	5
Total		100	356

Source: Primary data

Mean score = 356/100 = 3.56

The mean score for the satisfaction of online banking customers is 3.56 as the mean score for this factor falls within the range of 2 to 4, the level of attitude towards the satisfaction of online banking is medium level.

CHI-Square analysis-1

An attempt is made to find out whether they exist any relationship between gender and way of attempting to tackle physical stress among the primary school teachers.

$$x^2 = \sum \frac{(O - E)^2}{E}$$

O = Observation frequency

E = Expected frequency

V = Degrees of freedom

GENDER AND REASON FOR USING ONLINE BANKING SERVICE**Table 3:** Reason for using online banking service

Gender	Habit to using internet	To save time	Security	Banking transaction are easy	24 hours availability	Total
Male	10	8	6	8	14	46
Female	2	20	6	18	8	54
Total	12	28	12	26	22	100

Table 4 : Calculation of Chi-Square Value

O	E	O-E	(O-E) ²	(O-E) ²
				E
10	5.52	4.48	20.142	3.64
2	6.48	-4.48	20.142	3.10
8	12.88	-4.88	20.142	1.56
20	15.12	4.88	20.142	1.33
6	5.52	0.48	0.230	0.04
6	6.48	-0.48	0.230	0.04
8	11.96	-3.96	15.682	1.31
18	14.04	3.96	15.682	0.12
14	10.12	3.88	15.054	1.48
8	11.88	-3.88	15.054	1.26
$\Sigma(O-E)^2/E=13.88$				

$$\begin{aligned} \text{Degrees of freedom (v)} &= (r-1)(c-1) \\ &= (2-1)(5-1) = 1 \times 4 = 4 \\ \text{Calculated value} &= 13.88 \\ \text{Table value} &= 9.49 \end{aligned}$$

Since the calculated value is greater than value. So, the hypothesis is rejected. Hence, the use chi-square tests. Find out whether is any association between gender and reasons for using online banking service.

CHI-SQUARE ANALYSIS-2**EDUCATION AND REASON FOR USING ONLINE BANKIN SERVICE****Table 5:** Reasons for using online banking service

Education	Habit to using internet	To save time	Security	Banking transactions are easy	24 hours availability	Total
Non matriculate	0	10	6	4	4	24
Matriculate	2	4	4	2	4	16
Graduate	4	8	0	6	12	30
Post graduate	6	6	2	14	2	30
Total	12	28	12	26	22	100

Table 6: Application of Chi-Square between frequency of education and reasons for using online banking service

O	E	O-E	(O-E)	(O-E) ²
				E
0	2.88	-2.88	8.2944	2.88
2	1.92	-0.08	0.0064	0.03
4	3.6	0.4	0.16	0.04
6	3.6	2.4	5.76	1.60
10	6.72	3.28	10.7584	1.60
4	4.48	-0.48	0.2304	0.05
8	8.4	-0.4	0.16	0.10
6	8.4	-2.4	5.76	0.69
6	2.88	3.12	9.7344	3.38
4	1.92	2.08	4.3264	2.25
0	3.6	-3.6	12.96	3.6
2	3.6	-1.6	2.56	0.71
4	6.24	-2.24	5.0176	0.80
2	4.16	-2.16	4.6656	1.12
6	7.8	-1.8	3.24	0.41
14	7.8	6.2	38.44	4.93
4	5.28	-1.28	1.6384	0.31
4	3.52	0.48	0.2304	0.07
12	6.6	5.4	29.16	1.42
2	6.6	-4.6	21.16	3.21
$\sum(O-E)^2/E=29.20$				

$$\begin{aligned} \text{Degrees of freedom (v)} &= (r-1)(c-1) \\ &= (4-1)(5-1) = 3 \times 4 = 12 \\ \text{Calculated value} &= 29.20 \\ \text{Table value} &= 21.03 \end{aligned}$$

Since the calculated value is greater than table value. So, the hypothesis is rejected. Hence, the use chi-square test to find out whether is any association between education and reasons for using online banking service.

CHI- SQUARE ANANLYSIS-3

Table 7: GENDER AND PROBLEMS FACED ON ONLINE BANKING SERVICE

Gender	Network problems	Processing fee	Lake of operational knowledge	Risk of receiving fake SMS	Total
Male	16	8	10	12	46
Female	24	8	14	8	54
Total	40	16	24	20	100

Table 8: Application of Chi- Square between frequency of gender and problems faced on online banking service

O	E	O-E	(O-E)	(O-E) ²
				E
16	18.4	-2.4	5.76	0.31
24	21.6	2.4	5.76	0.26
8	7.36	0.64	0.4096	0.05
8	8.64	-0.64	0.4096	0.05
10	11.04	-1.04	1.0816	0.10
14	12.96	1.04	1.0816	0.08
12	9.2	2.8	7.84	0.85
8	10.8	-2.8	7.84	0.73
$\sum(O-E)^2/E=2.43$				

Degrees of freedom	=	(r-1) (c-1)
	=	(2-1) (4-1) = 1×3 = 3
Calculated value	=	2.43
Table value	=	7.81

Since the calculated value is less than the table value. So the hypothesis is accepted. There is no association between gender and problems faced on online banking service.

Findings

- The study reveals that, most (50%) of respondents were overall satisfaction with their online banking service.
- The study reveals that, gender dependent on their using online banking service.
- The study disclosed that, using online banking service depends on their education.
- The study shows that, the problems faced on online banking service not-dependent on gender.

Suggestions

- ❖ In Vilavancode Taluk, they have no knowledge about stock and foreign exchange transactions except commerce students. So that the government wants to include a portion related to the stock markets in the syllabus of the high school studies.
- ❖ Most of the customers expect helpline facilities.
- ❖ Most of the online banking users are not well educated about online banking usage and security precautions.
- ❖ Normally, last one year the banks are charged high processing fee for the different kinds of transactions and it will helps to improve the infrastructural facility of banks so the bank's processing fee fixed on the basis of the income level of the customers.
- ❖ Lack of operational knowledge is a main problem of vilavancode area, so the online banking software is updated for the understanding of all levels of online banking customers.

CONCLUSION

From the above observation it is clear that the customers are becoming aware of the various online banking services that they must get as a right. Online banking is very fast, effective and efficient. Online banking provides considerable benefits to customers, including 24 × 7 (Bank online services as provided 24 hours a day 7 days a week and 52 weeks a year) access to bank accounts anywhere anytime, easy management of funds and availability of banking services. Online banking is used to describe when individuals carry out transactions, payments and other bank dealings on the internet using their bank's secure web site. Many people have already discovered the convenience of

online

banking and the flexibility. People who use online banking enjoy being able to access their bank account, account information and other features without time restrictions from just about anywhere. After the study the researcher concluded that, the online banking service meet success and when the customers satisfied with the online banking service except network problem.

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