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REASONS FOR PREFERRING E BANKING SERVICES

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ABSTRACT

The present day life is faster in terms of occupancy and living. In the running up of life people do not have time to visit the banks and perform their banking activities. This research article has made to analyse why the people prefer e – banking services. For the purpose of analysis a 400 respondents having bank accounts in nationalized and private sector were taken from those who reside in Tirupur city.

INTRODUCTION

The present day life is faster in terms of occupancy and living. In the running up of life people do not have time to visit the banks and perform their banking activities. This research article has made to analyse why the people prefer e – banking services. For the purpose of analysis a 400 respondents having bank accounts in nationalized and private sector were taken from those who reside in Tirupur city.

Table 1 - Demographic profile

Gender of the Respondent	Frequency	Percent
Male	182	45.5
Female	218	54.5
Total	400	100.0
Occupation	**Frequency**	**Percent**
Businessmen	29	7.2
Serviceman	20	5.0
Professional	104	26.0
Agriculturist	132	33.0
Self-employed	115	28.7
Total	400	100.0
Monthly Income	**Frequency**	**Percent**
Upto 15000	15	3.8
15001 to 30000	42	10.5
30001 to 45000	108	27.0
45001 to 60000	130	32.5
Above 60000	105	26.3
Total	400	100.0
Educational Qualification	**Frequency**	**Percent**
School Education	52	13.0
College level	165	41.3
Professional	126	31.5
Technically qualified	57	14.2
Total	400	100.0
Internet Experience	**Frequency**	**Percent**
3-4 years	75	18.8
4-5 years	149	37.3
5-6 years	113	28.2
More than 6 years	63	15.8
Total	400	100.0

Frequency of Banking	Frequency	Percent
Daily	8	2.0
Few times a week	23	5.8
Weekly	57	14.2
Few times a month	186	46.5
Seldom	126	31.5
Total	400	100.0
Frequency of use of online banking in a month	**Frequency**	**Percent**
0 times	52	13.0
1-5 times	165	41.3
6-10 times	126	31.5
More than 10 times	57	14.2
Total	400	100.0
Use of Number of Online Banking services	**Frequency**	**Percent**
1-3 services	56	14.0
3-5 services	58	14.5
5-7 services	99	24.8
7-9 services	107	26.8
More than 10 services	80	20.0
Total	400	100.0
Type of Account holding Bank	**Frequency**	**Percent**
Nationalized Banks	239	59.8
Private Banks	161	40.3
Total	400	100.0

Source: Computed from primary data.

Panel 1 states that 54.5 percent of the respondents were female and 45.5 percent of the respondents were male. **Panel 2** explains that 33.0 percent of the respondents were Agriculturists, 28.7 percent of the respondents were Self-employed, 26.0 percent of the respondents were Professionals, 7.2 percent of the respondents were Businessmen and 5.0 percent of the respondents were Servicemen. **Panel 3** inferred that a 32.5 percent of the respondent's monthly income ranges between rupees 45001 to 60000, 27.0 percent of the respondents monthly income is rupees 30001 to 45000, 26.3 percent of the respondents monthly income is above rupees 60000, 10.5 percent of the respondents monthly income is rupees 15001 to 30000 and 3.8 percent of the respondents monthly income is upto rupees 15000. From **Panel 4** it was inferred that 41.3 percent of the respondent's educational qualification is college level, 31.5 percent of the respondent's educational qualification is professional degree, 14.2 percent of the respondents were technically qualified and 13.0 percent of the respondents have completed their school education. **Panel 5** inferred that 37.3 percent of the respondents have 4-5 years of Internet experience, 28.2 percent of the respondents have 5-6 years of internet experience, 18.8 percent of the respondents have 3-

4 years of internet experience and 15.8 percent of the respondents have more than 6 years of internet experience. **Panel 6** infers 46.5 percent of the respondents use banking services few times in a month, 31.5 percent of the respondents seldom use banking services, 14.2 percent of the respondents frequency of banking is weekly, 5.8 percent of the respondents frequency of banking is few time a week, 2.0 percent of the respondents use banking services daily. **Panel 7** infers that a 41.3 percent of the respondents use online banking 1-5 times in a month, 31.5 percent of the respondents use online banking 6-10 times in a month, 14.2 percent of the respondents use online banking more than 10 times in a month and 13.0 percent of the respondents never use online banking services. **Panel 8** infers that a 26.8 percent of the respondents use 7-9 services of online banking services, 24.8 percent of the respondents use 5-7 number of online banking services, 20.0 percent of the respondents use more than 10 services, 14.5 percent of the respondents use 3-5 number of online banking services and 14.0 percent of the respondents use 1-3 number of online banking services. **Panel 9** infers that a 59.8 per cent of the respondents were having their accounts in public sector banks and a 40.3 percent of them were having their bank accounts in private sector banks.

Table 2 – Reasons for selecting e-banking services.

Factor /Rank	1	2	3	4	5	6	7	8	9	10
Relevant and detailed information in seconds	59	28	34	57	69	55	44	62	59	63
Convenient way to manage services and finance	68	33	38	57	77	69	40	42	47	46
Less risk and greater security	35	31	49	36	40	35	42	30	28	39
Bring down the cost of banking	49	32	47	47	34	34	43	52	76	52
Fastest mode of banking transaction	44	48	44	50	33	40	71	58	62	60
Quick movement of funds	36	53	38	38	28	34	54	51	37	43
Fastest internet access speed	31	38	24	38	37	40	24	44	23	43
Improved service, reduced wasting cost, increased flexibility	28	52	46	29	17	31	22	27	23	28
Anywhere, anytime banking	29	47	39	25	41	38	26	16	15	15
Easy to transact from office, house or while travelling	21	38	41	23	24	24	34	18	30	11

Source: Computed from primary data.

Percent position = $100(R_{ij}-0.5)/N_j$, R_{ij} = 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th ranks, N_j = Total rank given by 400 respondents = 10

Table 2 – Position of Ranks.

Rank	100(Rij-0.5)	Percent position
1	100(1-0.5)/10	5
2	100(2-0.5)/10	15
3	100(3-0.5)/10	25
4	100(4-0.5)/10	35
5	100(5-0.5)/10	45
6	100(6-0.5)/10	55
7	100(7-0.5)/10	65
8	100(8-0.5)/10	75
9	100(9-0.5)/10	85
10	100(10-0.5)/10	95

Source: Computed from primary data.

Table 3 – Garet value position

From Henry Garret table, Garret value is found for the percent position

Rank	Percent position value	Garret Value
1	5	82
2	15	70
3	25	63
4	35	58
5	45	52
6	55	48
7	65	42
8	75	36
9	85	29
10	95	18

Source: Computed from primary data.

Table 4, 5 – Garet value with Rank

For each rank, garret value is multiplied by given value in the table

Factor /Rank	1*82	2*70	3*63	4*58	5*52	6*48	7*42	8*36	9*29	10*18
F1	4838	1960	2142	3306	3588	2640	1848	2232	1711	1134
F2	5576	2310	2394	3306	4004	3312	1680	1512	1363	828
F3	2870	2170	3087	2088	2080	1680	1764	1080	812	702
F4	4018	2240	2961	2726	1768	1632	1806	1872	2204	936
F5	3608	3360	2772	2900	1716	1920	2982	2088	1798	1080
F6	2952	3710	2394	2204	1456	1632	2268	1836	1073	774
F7	2542	2660	1512	2204	1924	1920	1008	1584	667	774
F8	2296	3640	2898	1682	884	1488	924	972	667	504
F9	2378	3290	2457	1450	2132	1824	1092	576	435	270
F10	1722	2660	2583	1334	1248	1152	1428	648	870	198

Source: Computed from primary data.

All the calculated values are totalled row wise

Factor /Rank	1*82	2*70	3*63	4*58	5*52	6*48	7*42	8*36	9*29	10*18	Total
F1	4838	1960	2142	3306	3588	2640	1848	2232	1711	1134	25399
F2	5576	2310	2394	3306	4004	3312	1680	1512	1363	828	26285
F3	2870	2170	3087	2088	2080	1680	1764	1080	812	702	18333
F4	4018	2240	2961	2726	1768	1632	1806	1872	2204	936	22163
F5	3608	3360	2772	2900	1716	1920	2982	2088	1798	1080	24224
F6	2952	3710	2394	2204	1456	1632	2268	1836	1073	774	20299
F7	2542	2660	1512	2204	1924	1920	1008	1584	667	774	16795
F8	2296	3640	2898	1682	884	1488	924	972	667	504	15955
F9	2378	3290	2457	1450	2132	1824	1092	576	435	270	15904
F10	1722	2660	2583	1334	1248	1152	1428	648	870	198	13843

Source: Computed from primary data.

The total score is divided my number of respondents to calculate average score, then rank the highest average score as I and the least average score with Rank X.

Table 6 – Average Score and Rank

Factors	Total	Average Score	Rank
Relevant and detailed information in seconds	25399/400	63.4975	II
Convenient way to manage services and finance	26285/400	65.7125	I
Less risk and greater security	18333/400	45.8325	VI
Bring down the cost of banking	22163/400	55.4075	IV
Fastest mode of banking transaction	24224/400	60.56	III
Quick movement of funds	20299/400	50.7475	V
Fastest internet access speed	16795/400	41.9875	VII
Improved service, reduced wasting cost, increased flexibility	15955/400	39.8875	VIII
Anywhere, anytime banking	15904/400	39.76	IX
Easy to transact from office, house or while travelling	13843/400	34.6075	X

Source: Computed from primary data.

CONCLUSION

From the study it was concluded that the respondents prefer e banking because it is a Convenient way to manage services and finance, , and find the Relevant and detailed information in seconds, and Fastest mode of banking transaction were the predominant factors which influence for preferring e banking services.

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