



A STUDY ON CUSTOMER'S ATTITUDE TOWARDS ONLINE BANKING SERVICES IN TIRUPUR CITY

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ABSTRACT

KEYWORDS:
*Attitude, Chi-square,
Descriptive Analysis,
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In the last two decades, the banking services have been growing through the information technology across the world. Interconnectivity of personal computers across the country and intercontinental relationship through the internet has opened a wealth of opportunities in every meadow of life. Online banking services is a web based service that enables bankers and bank customers' to access their account. The researcher has taken effort to study together the customers attitude towards online banking services in Tirupur City. It is a contribution to examine the impact of an online banking service on customer attitude and satisfaction in bank. This study also offers awareness about online banking services and customer's facing problems in the banking institution through this online banking service. The researcher has selected 500 respondents purposively who were using online banking services in various banks for her convenience. The present study is descriptive and empirical study in nature. For the purpose of analysis, the data has been collected from 500 respondents who were using online banking services in selected banks of Tirupur City. The tools and techniques were utilized for the analyses like Descriptive Analysis, Chi-square Test, Regression Analysis and Step-wise Analysis.

1. INTRODUCTION

In the last two decades, the banking services have been growing through the information technology across the world. Interconnectivity of personal computers across the country and intercontinental relationship through the internet has opened a wealth of opportunities in every meadow of life. Online banking services is a web based service that enables bankers and bank customers' to access their account. It allows the customer to log on to the banks website with the help of a bank issued user identification and an encrypted password. The success of the banking institution depends on the customer attitude, satisfaction and customer perception on banking services. At present, there were 27 scheduled public sector banks, 14 private sector banks and few foreign banks functioning in India. It is analyzed that online banking service plays as a dynamic and industrious role in the growth and strength of a banks. In tirupur, most of the bank customers were using online banking services for personal and business purpose. The bank customers' attitude has been understood as learned predispositions that project positive or negative behavior consistently towards various objects of the world. So, the researcher has taken effort to show the customers' attitude and perception towards online banking services. In

present study, the researcher has chosen selected private and public sector bank customers that who are using online banking services in Tirupur City.

2. REVIEW OF LITERATURE

A review of earlier studies is a text written by someone to consider the critical points of present study facts including substantive findings as well as theoretical and methodological contributions to an Online Banking Services. **Kesaven (2007)** said that the mostly used E-Banking services are inter-account transfer, payment to others personal account, transferring by credit card, recharging mobile phones among other type of money transfers. The study has concluded that the banking service with the technology development does not impact the banking transactions of the customers in the bank. **Malika (2012)** had discussed about the customer perception towards E-Banking in Ferozepur District. This research paper discovered usefulness and willingness of e-banking services in more analysis. Hence, the study concludes that the consumers have high perception on the ATM and bill payment services transversely various income groups in this present study. **Hassan (2012)** in this study identifies the determinants that mainly affect the customer service quality

perception of internet banking amongst genders and different age groups. The sample of 120 internet banking customers was used to gather data, which was further utilized to find out how 8 major determinants affect the customer service quality perception of internet banking. This research was conducted to find out the effects of different dimensions on the service quality perception of internet banking. **Gautam (2013)** had made an attempt to exemplify the attitudes of Indian consumers towards the internet and normal banking services. The 347 respondents have used to assess the level of awareness about the banking services and their attitude towards banking services. The study concluded that some fruitful insights for the banking institutions in Indian market to frame marketing strategies. **Khandelwal (2013)** had studied about the internet banking services and it increasingly more persons were switched to electronic platforms for executing financial transactions. This research paper was focused on consumers towards adoption of E-banking services. This study concluded that how the consumers had accepted online banking service and to improve the usage were focused in this study.

3. NEED FOR THE STUDY

Indian banking industry has been developed through the technology and quality service to their customers. For quality service, the banking institution implies more banking services like online banking services. The task of the bankers is to mould customer perception so as to occupy the desired position for their bank. The changes in technology and challenges are uncontrollable in day to day human life. In that way, the technology has been developed by human innovative thoughts in all industry include banking industry. The bank customers are familiarly using online banking services for their banking transactions. There is more competition and changes occurred in customer perception and innovative technology has been used to satisfy the customers. Hence, the researcher has taken effort to study together the customer's attitude towards online banking services in Tirupur City.

4. OBJECTIVES OF THE STUDY

1. To study the origin, growth and theoretical aspects of online banking services in India.
2. To analyze the customer attitude towards quality of service provided by online banking services.
3. To examine the impact of various factors of quality service dimensions on the overall customer satisfaction towards online banking services.

5. SCOPE OF THE STUDY

The scope of the study also covers the key factor which influences the customer to use online banking services and prefer banking transactions. Banking institutions adopt innovative customized strategies to meet customers' requirements in terms of products and services, etc. The bank customers of Tirupur City are mostly using online banking services and other banking services for textile business and personal needs. The customers' attitude of the banking services differs from the situation. Hence, the present study focuses on customers' perception and attitudes towards online banking services in Tirupur City.

6. METHODOLOGY

In this present study, the researcher has selected 500 respondents purposively who were using online banking services in various banks for her convenience. The present study is descriptive and empirical study in nature. The attitude of the sample respondents on the various aspects of the online banking services which they used and their satisfaction towards various aspects of the online banking service of banks in Tirupur City. For the purpose of analysis, the data has been collected from 500 respondents who were using online banking services in selected banks of Tirupur City. The study was conducted from the year 2015-2017. The various analyses are used for the study and ranged from the simple descriptive statistics, testing of hypotheses by multivariate techniques. The tools and techniques were utilized for the analyses like Descriptive, Correspondence and Association Analysis, Chi-square Test, Regression Analysis and Step-wise Analysis.

Table - 1 Demographic Variables of the Sample Respondents

| Sl. No. | Variable | Classification | Frequency | Percentage |
|---------|----------------|---------------------|-----------|------------|
| 1. | Gender | Male | 284 | 56.8 |
| | | Female | 216 | 43.2 |
| 2. | Age | Below 18 years | 8 | 1.6 |
| | | 18-30 years | 294 | 58.8 |
| | | 31-40 years | 173 | 34.6 |
| | | Above 40 years | 25 | 5.0 |
| 3. | Education | School Level | 10 | 2.0 |
| | | Graduate level | 123 | 24.6 |
| | | Post Graduate Level | 160 | 32.0 |
| | | Professional Degree | 207 | 41.4 |
| 4. | Marital Status | Single | 138 | 27.6 |
| | | Married | 362 | 72.4 |
| 5. | Occupation | Student | 70 | 14.0 |
| | | Employed | 197 | 39.4 |
| | | Business | 210 | 42.0 |
| | | Retired | 23 | 4.6 |

| | | | | |
|--------------|-----------------------|----------------------|------------|--------------|
| 6. | Family Monthly Income | Below Rs.10,000 | 68 | 13.6 |
| | | Rs.10,001- Rs.30,000 | 326 | 65.2 |
| | | Rs.30,001- Rs.50,000 | 71 | 14.2 |
| | | Above Rs.50,000 | 35 | 7.0 |
| 7. | Size of the Family | Small | 47 | 9.4 |
| | | Medium | 401 | 80.2 |
| | | Big | 52 | 10.4 |
| 8. | Nature of Family | Joint | 201 | 40.2 |
| | | Nuclear | 299 | 59.8 |
| 9. | Area Residence | Rural | 7 | 1.4 |
| | | Urban | 333 | 66.6 |
| | | Semi-Urban | 160 | 32.0 |
| Total | | | 500 | 100.0 |

Source: Primary Data

The demographic variables are determines the customers attitude of online banking services for overall satisfaction in banking institutions. In this present study, the majority of 284 (56.8 percent) male respondents are using online banking services in Tirupur City. The respondents who are fall under the age group between 18-30 years have using online banking services at greater than other category of respondents. The majority of professionals were using these online banking services and products for their personal works and their profession. The majority of 362 (72.4 percent) of the respondents are married respondents from 500 respondents and they have been using online banking services more than the unmarried respondents. The present study classifies the occupational status of the respondents for determine the online banking service usages of different people. The onlinebanking service mostly attracts the businessmen for

their business transactions in this present study. The monthly income is depends on the economic condition of the country and the occupation of the respondents. The majority of the persons who are earnings between Rs.10,001-Rs.30,000 in Tirupur city. The majority of the respondents who are holding medium family size and this group of family members were using online banking services. The results provide that the nuclear family members were using the online banking services more than joint family members in their home. Simultaneously, the nuclear family members have required individual banking service for their family. In the present study, the majority of the respondents were situated in urban area and they were using online banking services for the personal and some other purpose. The table-2 shows that distribution of the respondents in accordance with their level of attitude on the services offered by the commercial banks in Tirupur City.

Table - 2: Attitude Derived by the Respondents on the Services Offered by the Online Banking Services

| Level of Attitude | No. of Respondents | Percentage % |
|-------------------|--------------------|---------------|
| Low | 199 | 39.80 |
| Medium | 291 | 58.20 |
| High | 10 | 2.00 |
| Total | 500 | 100.00 |

Source: Survey Data

The above Table-2 reveals that most of the respondents have medium level attitude with the online banking services in Tirupur City. The level of attitude is based on the public sector and private sector banks by commercial banks and the quality services in Tirupur City.

The factors are influencing the attitude of customer of Online banking service in Tirupur city is given in table-4.24. In order to find out the influence of various

personal factors relating to the sample respondents (independent variables) on their attitude on the online banking services offered by the commercial banks (dependent variable) null hypotheses were formulated that the personal factors relating to the sample respondents do not significantly influence their attitude on the quality of services offered by the banking services were tested with the help of Chi-square test.

Table - 3: Factors Influencing the Attitude Derived by the Customers of Online Banking Services in Tirupur City - Chi-square Test

| Sl.No | Variables | Calculated Value | P Value | D.F | Significant |
|-------|-------------------------------|------------------|---------|-----|-----------------|
| 1 | Gender | 1.977 | 0.000 | 2 | Significant |
| 2 | Age group | 42.509 | 0.000 | 6 | Significant |
| 3 | Marital Status | 1.825 | 0.401 | 2 | Not Significant |
| 4 | Literacy Level | 78.087 | 0.000 | 6 | Significant |
| 5 | Occupational Status | 1.158 | 0.000 | 6 | Significant |
| 6 | Type of Family | 77.756 | 0.000 | 2 | Significant |
| 7 | Size of the family | 16.460 | 0.002 | 4 | Significant |
| 8 | Monthly Income | 17.258 | 0.008 | 6 | Significant |
| 9 | Area of Residence | 64.432 | 0.000 | 4 | Significant |
| 10 | Type of Bank | 1.044 | 0.000 | 2 | Significant |
| 11 | Type of Bank Account | 64.599 | 0.000 | 2 | Significant |
| 12 | Regular Use of OBS | 1.390 | 0.499 | 2 | Not Significant |
| 13 | Period of Using OBS | 94.406 | 0.000 | 6 | Significant |
| 14 | Frequency of Using OBS | 87.471 | 0.000 | 6 | Significant |
| 15 | Source of Awareness of OBS | 1.556 | 0.000 | 6 | Significant |
| 16 | Using Online banking Services | 43.787 | 0.000 | 6 | Significant |
| 17 | Using OBS products in banks | 25.807 | 0.000 | 6 | Significant |
| 18 | Mode of Using OBS | 2.177 | 0.000 | 6 | Significant |
| 19 | Message Services for OBS | 55.716 | 0.000 | 2 | Significant |
| 20 | Opinion about OBS | 2.375 | 0.000 | 4 | Significant |

*Table value at 5% Level

The above table-4.24 shows that the result of Chi-square test indicates that factors such as Gender, Age group, Literacy Level, Occupational Status, Type of Family, Size of the family, Monthly Income, Area of Residence, Type of Bank, Type of Bank Account, Period of Using OBS, Frequency of Using OBS, Source of Awareness of OBS, Using Online banking Services, Using OBS products in banks, Mode of Using OBS, Message Services for OBS, Opinion about OBS. The factors of the respondents significantly influence the attitude derived by the respondents on Online banking service provided by the private sector and public sector banks in Tirupur City. The literacy level of respondents is highly significantly used the Online banking services for learning and other informative things in the workplace and home. The age and message service are always differently shows the attitude change of various respondents in this study. But the above table shows that most of the respondent's age, gender, education, message services and income are also determine the preference of the Online banking services of public sector and private sector banks in Tirupur City.

8. SUGGESTIONS

The researcher has suggested that commercial banks should have to develop and float innovative online banking products to satisfy the ever changing needs of the customers. Many of the newly formed private and public sector banks are aware of the importance of such a step and therefore are having an active corporate social responsibility department for online banking services. Online banking services have to be formulated by the banks to step into the rural areas for extending their services to rural areas. The banks have to acquire customer's feedback after providing the service and this will help to improve the quality of the online banking service offered by the commercial banks.

9. CONCLUSION

The Online banking services of commercial banks have been developing concept in India and across the world. Nowadays, the customers who are using the online services

to bank deposits, money transfers, bills payments and some other business transactions always done by the online access. It bridges the gap between the savers and borrowers with more customer satisfaction, good customer attitude and perception towards online banking services. Hence, the present study carried out by the researcher has identified the attitude change and perception of the customers on the various online banking services that have been offered by the public and private sector banks in Tirupur City.

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