

## Customer Reasons To Opt Internet Banking With Reference To Syndicate Bank, Vijayawada City, Andhra Pradesh

\* B. Krishnaiah \*\* Prof. T. Umamaheswara Rao

\* Research Scholar, Dept of Commerce & Management, Acharya Nagarjuna University, Guntur, Andhra Pradesh, Email: bellamkondakrishna840@gmail.com, Ph:91 99488 45778.

\*\* Registrar, KL University, Guntur, Andhra Pradesh

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**Abstract:** Today the sophisticated Information Technology has taken important place in the future development of Financial services, especially banking sector evolution are affected more than any other financial provider groups. Increased use of mobile services and use of Internet as a new distribution channel for banking transactions and international trading requires more attention towards e-banking security against fraudulent activities. The development and increasing progress that is being experienced in the Information and Communication Technology (ICT) have brought about a lot of changes in almost all aspects of life. In the Banking Industry, it has been in the form of E-Banking or Online Banking or Internet Banking, which is now replacing the traditional banking mechanism. E-Banking has a lot of benefits which add value to enhance customers' satisfaction in terms of better quality of service offerings and simultaneously enable the banks gain more competitive advantage over other competitors. This study is carried on to find out the customer reasons to opt Internet Banking, their opinion regarding the problems faced and the reasons for opting this technology in spite of other technologies. The study is based on primary data collected from 100 respondents of Syndicate Internet Banking users by means of a questionnaire. Statistical tool like percentages method is used for analysis of the data.

**Keywords:** E-Banking, ICT, Fund Transfer, Mobile Banking, Satisfaction of users

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### I. Introduction

Internet Banking represents the virtual face of the banking transaction, where you will do all sort of virtual transaction in the real world. The Internet banking has given an opportunity to all the users to conduct banking activities allowed by Traditional and local Brick and Mortar Business.

The Internet Banking will give the customer privilege of the 24\*7 operations and access to your account. The customers can perform all your banking related stuff from their own place and at their convenient time. Internet Banking refers to systems that enable bank customer to access accounts and general information on bank products and services through a personal computer (PC) or other intelligent device.

#### **Products and Services of Internet Banking:**

Internet Banking Products and services can include wholesale products for corporate customers as well as retail and fiduciary products for customers. Ultimately, the products and services obtained through internet banking may mirror products and services offered through other bank delivery channels.

Some examples of wholesale products and services:

- a) Cash Management
- b) Wire Transfer
- c) Automated clearing House (ACH) transactions
- d) Bill presentment and Payment.

Some examples of retail and fiduciary products and services are:

- a) Balance Enquiry
- b) Fund Transfer
- c) Downloading Transaction information
- d) Bill Presentment and Payment.

**Prerequisites for Using Internet Banking:**

For using Internet Banking facility the following is mandatory

- User should have saving or current account maintained at any bank.
- User should have valid mobile number registered with bank account.
- User should have valid Email-ID.

**II. Review Of Literature**

Review of a few important research papers is made in the following paragraphs with an important objective to identify the research gap that exists at present.

1. **Dr.M.Abdul Hakeem and Y.Moydeen Sha (2015):** In their analysis it was observed that particular age group have used these services, the satisfaction of the customer majorly influenced the convenience, awareness, and responsiveness. In the present technology society, most of the banking customer prefer and switch to e-banking facilities. So the banker may improve their services, loyalty to customers and their retention by increasing awareness of other age groups and concentrating on the factors contributing customer satisfaction.
2. **Vandana Tandom Khanna and Neha Guptha (2013):** The study shows the factors such as technology acceptability, safety, availability, user friendliness and accessibility highly depends on the demographic profile of the population size. Most of marketing decision in terms of enhancing the effectiveness of delivery channels can be taken by considering these factors.
3. **Tavishi and Santhosh Kumar(2013):** In their study “An Empirical Study on Technology Adoption by Indian Banks” studied the factors influencing the customers for the adoption of internet banking mobile and mobile banking in India and hence investigate the influence of perceived usefulness, perceived eases of use and perceived risk on use of internet banking and mobile banking. Sabita Paul(2013) in his work The Adoption of Electronic Banking (E-Banking) in Odisha, India described the current and prompt technological revolution altering the whole world which has crucial impact on the banking sector based on data, collected from customers of different commercial banks of Odisha.
4. **Prema C (2013):** In her research article “Factors Influencing Consumer Adoption of Internet Banking in India”, examined the process of internet banking services and stresses that marketing experts should emphasize these benefits and its adoption provides and awareness can also be improved to attract consumer’s attention to internet banking services.
5. **Neena Brar and Jaspreet Singh(2012):** While investigating all the variables and the responses by consumers, this study reveals that the perception of the consumers can be changed and can be made positive by awareness program, friendly usage, fewer charges, proper security, and the best response to the services offered.
6. **Ozuru et al.(2010):** “The importance of the electronic payment system in any country can never be over emphasize, due to dramatic transformation in technological advancements taht is being experienced by the global financial industry.”

**OBJECTIVES OF THE STUDY:**

- To identify the reasons for opting Internet Banking service of Syndicate Bank.
- To find out the opinion of the respondents regarding the purpose of usage of syndicate Internet Banking Service.
- To identify the problems faced by the respondents while using syndicate Internet Banking.
- To analyse the overall satisfaction of the respondents regarding Syndicate Internet Banking.

**III. Methodology**

The study is based on Primary data collected from 100 respondents of Syndicate Internet Banking users in Vijayawada City by means of a questionnaire and statistical tools like Percentage analysis was applied. The findings are given in the following paragraphs:

**ANALYSIS AND INTERPRETATION:**

**Demographic Profile**

		Number	%
Age	Below 30 Years	76	76
	30 – 50 Years	20	20
	50 years above	04	04
Gender	Male	73	73
	Female	27	27
Education Details	Under Graduation	16	16
	Graduation	62	62

	Post Graduation	22	22
Occupation	Professional	29	29
	Business	10	10
	Others	61	61
Annual Income	Below 2.5 Lakhs	72	72
	2.5 to 5 Lakhs	19	19
	5 Lakhs above	9	9
Marital Status	Single	67	67
	Married	33	33

It is inferred from the table demographic profile that out of the total respondents taken for the study, 76% of the respondents are in the age group of below 30 years and 20% of the respondents are in the age group of 30-50 years, 4% of the respondents are above 50 years. 73% of the respondents are male and 27% of the respondents are female.

Out of the total respondents taken for the study 16% of the respondents are under graduation, 62% of the respondents are graduates and 22% of the respondents are Post Graduates. 29% of the respondents belong to Professional, 10% of the respondents are business and 61% of the respondents are belongs to other occupation. From the above analysis 72% of the respondents are belongs to the Annual Income level of below Rs. 2 Lakhs, 19% of the respondents are belongs to the annual income level of Rs. 2.5 Lakhs to 5 Lakhs and 9% of the respondents are belongs to the Income level of above Rs 5 Lakhs. When marital status is concerned 67% of the respondents are single and 33% are married.

**II. How long you are using Syndicate Internet Banking.**

Particulars	Number of Respondents	%
Less than 1 year	57	57
1 to 2 years	32	32
More than 2 years	11	11
Total	100	100

It is inferred from the table customer opinion regarding How long using Syndicate Internet Banking, that the total respondents taken for the study, 57% of the respondents are using Syndicate Internet Banking less than 1 Year, 32% of the respondents are using 1 to 2 years and only 11% of the respondents are using from more than 2 years.

**III. How frequently do you use Syndicate Internet Banking services per month.**

Particulars	Number of Respondents	%
Less than 2 times	18	18
2 to 5 times	70	70
More than 5 times	12	12
Total	100	100

It is found that from the above table, Customer opinion regarding How frequently using the Internet Banking services per month. That out of the total respondents for the study 18% of the respondents are using less than 2 times in a month, 70% of the respondents are using 2 to 5 times in a month and 12% of the respondents are using more than 5 times in a month.

**IV. What are the reasons for opting Syndicate Internet Banking.**

Particulars	Rank 1	%	Rank 2	%	Rank 3	%	Rank 4	%	Rank 5	%	Total
It saves Time	41	41	5	5	0	0	3	3	51	51	100
No need to visit the Branch	5	5	21	21	67	67	6	6	1	1	100
More Convenient	0	0	2	2	10	10	68	68	20	20	100
User Friendly	3	3	1	1	1	1	20	20	75	75	100
Safe and Secured way of Transactions	51	51	26	26	15	15	5	5	3	3	100

It is inferred from the above table regarding the reasons for Opting Syndicate Internet Banking services that, out of the total respondents taken for the study, 41% of the respondents are giving Rank 1 for the Option of “It Saves Time”, 5% of the respondents are given Rank 2 , 3% of the respondents are given Rank 4 and 5% of the respondents are given Rank 5 for “It Saves Time”. No respondent are not given Rank 3.

It is found that from the above table that out of the total respondents taken for the study, 5% of the respondents are given 1<sup>st</sup> rank for “No need to visit the bank”, 21% of the respondents are given for 2<sup>nd</sup> rank,

67% of the respondents are given 3<sup>rd</sup> rank , 6% of the respondent are given 4<sup>th</sup> rank and 1% of the respondents are given 5<sup>th</sup> rank.

It is found from the above table more convenient concern that out of the total respondents taken for the study. No one given 1<sup>st</sup> rank for this reason, 2% of the respondents are given 2<sup>nd</sup> rank, 10% of the respondents are given the 3<sup>rd</sup> rank, 68% of the respondents are given 4<sup>th</sup> rank and 20% of the respondents are given for 5<sup>th</sup> rank.

User friendly concern that out of the total respondents are taken for the study. 3% of the respondents are given 1<sup>st</sup> rank for this reason, 1% of the respondents are given 2<sup>nd</sup> rank, 1% of the respondents are given 3<sup>rd</sup> rank, 20% of the respondents are given 4<sup>th</sup> rank and 75% of the respondents are given 5<sup>th</sup> rank.

Safe and secured way of transaction concern that out of the total respondents taken for the study. 51% of the respondents are given 1<sup>st</sup> rank for this reason, 26% of the respondents are given 2<sup>nd</sup> rank, 15% of the respondents are given 3<sup>rd</sup> rank, 5% of the respondents are given 4<sup>th</sup> rank and 3% of the respondents are given 5<sup>th</sup> rank for this reason.

**V. What is the Purpose of Usage of Internet Banking?**

Purpose	Rank 1	%	Rank 2	%	Rank 3	%	Rank 4	%	Rank 5	%	Total
For Checking Account Balance	26	26	1	1	3	3	47	47	23	23	100
To have the Statement of Account	4	4	23	23	11	11	11	11	51	51	100
To Make Fund Transfer	34	34	11	11	45	45	2	2	8	8	100
To Book E-tickets	17	17	42	42	5	5	16	16	20	20	100
To Utility Bill Payments	15	15	24	24	32	32	13	13	16	16	100

It is inferred from the table purpose of usage of IB that out of the respondents taken for the study for checking A/C balance concern 26% of the respondents are given 1<sup>st</sup> rank for this purpose, 1% of the respondents are given 2<sup>nd</sup> rank, 3% of the respondents are given 3<sup>rd</sup> rank, 47% of the respondents are given 4<sup>th</sup> rank and 23% of the respondents are given 5<sup>th</sup> rank for this purpose.

To get A/C statement concern that out of the total respondents taken for the study . 4% of the respondents are given 1<sup>st</sup> rank, 23% of the respondents are given 2<sup>nd</sup> rank, 11% of the respondents given 3<sup>rd</sup> and 4<sup>th</sup> ranks respectively. 5% of the respondents are given for 5<sup>th</sup> rank for this purpose.

To make fund transfer concern that out of the total respondents are taken for the study. 34% of the respondents are given 1<sup>st</sup> rank for this purpose, 11% of the respondents are given 2<sup>nd</sup> rank, 45% of the respondents are given 3<sup>rd</sup> rank, 2% of the respondents are given 4<sup>th</sup> rank and 8% of the respondents are given 5<sup>th</sup> rank for this purpose.

To book tickets concern that out of the total respondents are taken for the study. 17% of the respondents are given 1<sup>st</sup> rank for this purpose, 42% of the respondents are given 2<sup>nd</sup> rank, 5% of the respondents are given 3<sup>rd</sup> rank, 16% of the respondents are given 4<sup>th</sup> rank and 20% of the respondents are given 5<sup>th</sup> rank.

**VI. Do you face any problem while using the Syndicate Internet Banking?**

Particulars	Number of Respondents	% of Respondents
Yes	38	38
No	62	62
Total	100	100

It is inferred from the above table customer opinion regarding the problems faced while using the syndicate internet banking that out of the total respondents taken for the study 38% of the respondents are facing problems and 62% of the respondents are not facing any problem.

**VII. Rank the Problems in the Use of Internet Banking.**

Problems	Rank 1	%	Rank 2	%	Rank 3	%	Rank 4	%	Rank 5	%	Total (38)
Restricted to a Limited Authority (Not Suitable for all kinds of Transactions)	9	9	12	12	6	6	2	2	9	9	38
Amount debited from Account but not get successful booking	5	5	6	6	14	14	7	7	6	6	38
Not Widely Accepted by all Payment Gateways	5	5	14	14	9	9	6	6	4	4	38
Technical Problems	5	5	4	4	6	6	19	19	4	4	38
Not User Friendly	13	13	1	1	3	3	5	5	16	16	38

It is inferred from the above table customer opinion regarding the problem of syndicate internet banking is restricted to a limited area, the respondents given that out of the total respondents 28068% of the respondents are given 1<sup>st</sup> rank, 31.57% of respondents are given 2<sup>nd</sup> rank, 15.7% given 3<sup>rd</sup> rank, around 5.26% are given 4<sup>th</sup> rank and 23.68% of the respondents are given 5<sup>th</sup> rank.

Customer opinion regarding the problem relating to amount debited from their account but not get successful booking, the respondents rankings are like around 13.15%, 15.7%,36.84%,18.42%,15.7% of respondents given 1<sup>st</sup>, 2<sup>nd</sup>,3<sup>rd</sup>,4<sup>th</sup> and 5<sup>th</sup> ranks respectively.

The customers opinion regarding the technical problems faced while using Syndicate internet banking, the respondent around 13.15%,10.52%,15.7%,50%,10.52% are given 1<sup>st</sup>,2<sup>nd</sup>,3<sup>rd</sup>,4<sup>th</sup> and 5<sup>th</sup> ranks respectively.

**VIII. In case of Inconvenience caused, whom do your approach to resolve the problem.**

Causes	Number of Respondents	%
Visit the Bank Branch	23	23
Phone call to Customer Care of the Bank	10	10
Email to the Bank authorities	5	5
Total	38	10038

The respondents are asked in case of inconvenience caused while using the syndicate internet banking, whom do you approach to resolve the problem. The customer opined that around 61% of respondents like to visit the branch, 26.31% of respondents would made a phone call to customer care of the bank and 13.15% will send an e-mail to the bank authorities to resolve the problem.

**IX. How much time the bank taken for resolve the Problem?**

Time	Number of Respondents	%
< 1 Day	1	1
1 – 3 Days	10	10
3 – 7 Days	20	20
>7 Days	7	7
Total	38	100

The respondents are asked the time taken by the banks to resolve the problem, the responses are around 2.63% of the respondents are opined less than 1 day, 26.31% of respondents are opined 1-3 days, 52.63% of the respondents are opined 3-7 days and 18.42% of the respondents are opined more than 7 days.

**X. What is your level of Satisfaction?**

Level of Satisfaction	Number of Respondents	%
Excellent	2	2
Good	83	83
Satisfactory	11	11
Poor	4	4
Total	100	100

It is inferred that the opinions of the respondents regarding the level of satisfaction, 2% of the respondents opined the level of satisfaction as excellent, 83% of the respondents rated good, 11% of the respondents are satisfied and 4% respondents opined poor.

**IV. Findings Of The Study**

1. It is found that 72% of the users of internet banking annual income is below 2.5 lakhs.
2. It was observed that majority of the respondents (57%) are using internet banking from the last one year.
3. 51% of the respondents are given first rank for safe and secured way of transactions.
4. It was observed that 34% of respondents are give Rank 1<sup>st</sup> for using Syndicate Internet Banking to make fund transfer.
5. It was found that 62% of the respondents are not facing any problem while using Syndicate Internet banking.
6. 60.52% of the respondents are visiting to the bank in case of inconvenience caused.
7. 83% of the respondents are satisfied with Syndicate internet banking in all aspects.

**V. Conclusion**

Here it can be concluded that around above 83% of people have positive perception with Syndicate Internet Banking. Still people of Vijayawada are not using all the Syndicate Internet banking services frequently because they have less knowledge about computer and internet; so they feel hesitation in using internet banking services. It is advised that banks should improve their promotional and communication strategies to make aware

the customers regarding IT services and build-up positive perception to improve the level of usage of internet banking with high level of satisfaction.

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