

Recent Technological Developments and Customers Perception Towards Online Banking Services in Bidar City - Karnataka (India)

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Abstract— The Indian banking industry plays an important role in the economic development of the country and is the most dominant segment of the financial sector. E- banking is still at its infancy and is still to be used as an operating saving tool in reducing cost and promoting customer – banker's relationship. The purpose of this paper is to determine the customer's perception toward the online banking services. The present study is empirical in nature based on primary data. To collect primary data, a well-structured interview schedule was constructed with both open-ended and close-ended questions. Using the interview schedule a survey was conducted in Bidar city among 200 customers of Bank. The present study concludes that all banks-whether it is public sector, private sector or foreign Banks are providing e-banking services. They prefer to avail e-banking services, but at the same time, they face many problems while using these e-channels due to which they are unable to take full advantage of these services. The paper suggests some strategies to eradicate these problems. The result of the study clearly shows that different age group and occupation of customers have different perception towards the e-banking services.

Keywords: Bank; E- banking; Online Banking; RTGS; NEFT; Customer Perception; etc.

I. INTRODUCTION

Finance is the life blood of trade, commerce and industry. Now-a-days, banking sector acts as the backbone of modern business. Banking was in existence in India during the Vedic times (2000 BC to 1400 BC). Money lending was regarded as an old art and was practiced in the early Aryan days. Banks have developed around 200 years ago. The natures of banks have changed as the time has changed. The term bank is related to financial transactions. It is a financial establishment which uses, money deposited by customers for investment, pays it out when required, makes loans at interest exchanges currency etc. Development of any country mainly depends upon the banking system.

Banks in India are at different stages of the web-enabled banking cycle. Initially, a bank, which is not having a web site, allows its customer to communicate with it through an e-mail address; communication is limited to a small number of

branches and offices which have access to this e-mail account. As yet, many scheduled commercial banks in India are still in the first stage of Internet banking operations.

India's banking system is a robust one and is classified into commercial banks and co-operative credit institutions. Commercial banks include: 1) scheduled commercial banks (SCBs) and non-scheduled commercial banks. SCBs are further classified into public sector banks (PSBs), private banks, foreign banks and regional rural banks (RRBs). Co-operative credit institutions include the various co-operative banks. As on Mar, 2012 the Indian banking system comprised 87 SCBs, 82 RRBs, 618 Urban Cooperative Banks (UCBs) and 94,531 rural cooperative credit institutions. As on Dec 2012, the Indian banking system comprised 165 SCBs including RRBs.

II. BANK:

Bank: An establishment authorized by a government to accept deposits, pay interest, clear checks, make loans, act as an intermediary in financial transactions, and provide other financial services to its customers.

Functions of Banks

Primary Functions of Banks: These primary functions of banks are below.

1. Accepting Deposits: The bank collects deposits from the public. These deposits can be of different types, such as :- Saving Deposits, Fixed Deposits, Current Deposits and Recurring Deposits

2. Granting of Loans and Advances

The bank advances loans to the business community and other members of the public. The rate charged is higher than what it pays on deposits. The difference in the interest rates (lending rate and the deposit rate) is its profit.

The types of bank loans and advances are:- Overdraft, Cash Credits, Loans, Discounting of Bill of Exchange

Secondary Functions of Banks: These important non - banking functions are below.

1. Agency Functions: The bank acts as an agent of its customers. The bank performs a number of agency functions which includes :- Transfer of Funds, Collection of Cheques,

Periodic Payments, Portfolio Management, Periodic Collections, and Other Agency Functions.

III. OBJECTIVES OF THE STUDY:

To study the recent technological developments in Indian banking sector, To Assess the satisfaction of the Customers with the online banking service with reference to Bidar City and The study aims at identifying the overall customer perception towards the e-banking services.

IV. RESEARCH AND METHODOLOGY:

In a view to precede the research in a systematic way the following research methodology has been used. Descriptive method is used for research design. Both primary and secondary data collection was made. Primary data is collected by structured survey. Secondary data is collected from different published sources like report, research papers, websites etc. Studies the survey of service quality in order to derive the level of customer satisfaction, responses are collected from the study area i.e. Bidar City-Karnataka. Simple random samples technique is used. The properly structured questionnaire is distributed to the 210 respondents. Since some of the respondents have not given the proper responses. Hence the sample size is made to 200.

HYPOTHESIS

“The online-banking customers in India are satisfied with the current levels of e-banking services offered by banks in India”.

LIMITATION OF THE STUDY: The study is done on the basis of data provided by the sample respondent and it covers only Bidar city and the study covers only Individual Customers, i.e. end users.

V. RECENT TECHNOLOGICAL DEVELOPMENTS IN INDIAN BANKING SECTOR

Electronic banking: Electronic banking is an umbrella term for the process by which a customer may perform banking transactions electronically without visiting a brick-and-mortar institution. The following terms all refer to one form or another of electronic banking: personal computer (PC) banking, Internet banking, virtual banking, online banking, home banking, remote electronic banking, and phone banking. PC banking and Internet or online banking are the most frequently used designations. It should be noted, however, that the terms used to describe the various types of electronic banking are often used interchangeably.

Internet Banking: Internet banking in India began taking roots only from the early 2000s. Internet banking services are offered in three levels. The first level is of a bank's informational website, wherein only queries are handled; the second level includes Simple Transactional Websites, which enables customers to give instructions, online applications and balance enquiries. Under Simple Transactional Websites, no

fund based transactions are allowed to be conducted. Internet banking in India has reached level three, offering Fully Transactional Websites, which allow for fund transfers and various value added services.

Internet banking poses high operational, security and legal risks. This has restrained the development of internet banking in India. The guidelines governing internet banking operations in India covers a number of technological, security related and legal issues to be addressed in relation to internet banking. According to the earlier guidelines, all internet banking services had to be denominated in local currency, but now, even foreign exchange services, for the permitted underlying transactions, can be offered through internet banking. Internet banking can be offered only by banks licensed and supervised in India, having a physical presence in India. Overseas branches of Indian banks are allowed to undertake internet banking only after satisfying the host supervisor in addition to the home supervisor.

Online Banking: It empowers customers to conduct financial banking transactions on a secure website which can be operated by a retail, virtual bank, credit union or building society.

Online banking offers many features and applications that were absent or error-prone and inflexible in traditional banking methods. It makes banking faster and easy. The applications are:

Transactional - Bill payments and wire transfers to third parties, Fund transfer between customer's transactional and savings account, Sale and purchase of investments, Applications and transactions for loans and enrollment repayments.

Non-transactional Analyzing recent transactions, Downloading bank statements, Viewing paid cheques. Financial Institution Administration. Portfolio Management of multiple users at different authority levels. Transaction approval process The most unique feature of online banking is: Personal financial management support - Importing data to personal accounts software. Supporting account aggregation which allows the customers to manage all of their accounts in one place irrespective of their location.

PC banking: PC banking is a form of online banking that enables customers to execute bank transactions from a PC via a modem. In most PC banking ventures, the bank offers the customer a proprietary financial software program that allows the customer to perform financial transactions from his or her home computer. The customer then dials into the bank with his or her modem, downloads data, and runs the programs that are resident on the customer's computer. Currently, many banks offer PC banking systems that allow customers to obtain account balances and credit card statements, pay bills, and transfer funds between accounts.

Automatic Teller Machines: In addition to cash withdrawal, ATMs can be used for payment of utility bills, funds transfer between accounts, deposit of cheques and cash into accounts, balance enquiry and several other banking transactions which the bank/s owning the ATM's might want to offer.

Credit Card: Credit card is being widely used in the country as they provide a convenient form of making payments for goods and services without the use of cheques and cash. Banks

issue credit cards to their customers. The merchant establishment who accepts credit card payments will claim the amount from the customer's bank through his own bank.

Debit Card: Debit Card is a direct account access card. (Amount transacted gets debited immediately). The amount permitted to be transacted in debit card will be to the extent of the balance standing to the credit of the card user's account. On the other hand, a credit card involves provision of credit to the card user. The card user settles the bills on receipt either in full or partially in installments.

Mobile Banking: It is used for performing through mobile device such as a mobile phone or a Personal Digital Assistant (PDA), banking activities such as: Balance checks, Account details, Portfolio management, Account transactions, Payments and investments, Credit applications and other transactions.

Core banking: Core banking is services provided by a group of networked bank branches. Bank customers may access their funds and other simple transactions from any of the member branch offices.

Telephone Banking: It is a bank service provided by financial institutions allowing its customers to conduct banking transactions over the telephone. Institutions which provide banking services exclusively over telephone are called Phone Banks. They use special technology to modernize the customer by providing bank and account related information over a telephone.

Telephone banking make use of automated phone answering system, Phone keypad response resources, Voice recognition capability.

Video Banking: It is used for conducting banking transactions or consultations through a remote video connection. It can be performed over purpose built banking transaction machines similar to Automated Teller Machines (ATM) or through bank branches enabled with video conferencing.

Video banking improves following banking activities: Customer authentication, Cash and check deposits, Cash and coin withdrawals, Account transfers and bill payments, Processing new accounts and loans, Bank consultations and inquiries.

NEFT/EFT: National Electronic Funds Transfer/Electronic Funds Transfer (NEFT/EFT) is a system whereby anyone who wants to make payment to another person / company etc. can approach his bank and give instructions / authorization to transfer funds directly from his account to the bank account of the receiver / beneficiary. Complete details such as the receiver's name, bank account number, account type (savings or current account), bank name, city, branch name, etc., should be furnished to the bank at the time of requesting for such transfers so that the amount reaches the beneficiaries' account correctly and faster.

This is a better version of RBI-EFT system. In RBI-EFT there is a limit in location, whereas in NEFT there is no geographical location problem and only requires both the bank to be NEFT enabled system. Under NEFT, the transfer takes place either on the same day or on the next day, depending on the time of instructions given. NEFT is on net settlement basis. NEFT involves four settlement cycles a day 9.30 am, 10.30 am, 12 pm and 4 pm. Thus if a customer has given instruction to its bank to transfer money through NEFT to

another bank in the morning hours, money would be transferred the same day, but if the instruction is given later during the day, money would be transferred next day.

Real Time Gross Settlement System (RTGS): Reserve Bank of India has taken the initiative for facilitating real time funds transfer through the Real Time Gross Settlement (RTGS) System. Under the RTGS system, transmission, processing and settlements of the instructions will be done on a continuous basis. Gross settlement in a real time mode eliminates credit and liquidity risks. Any member of the system will be able to access it through only one specified gateway in order to ensure rigorous access control measures at the user level. The system will have various levels of security, viz., Access security, 128 bit cryptography, firewall, certification etc. Further, Generic Architecture, both domestic and cross border, aimed at providing inter-connectivity across banks has been accepted for implementation by RBI. Following a reference made this year, in the Monetary and Credit Policy statement of the Governor, banks have been advised to develop domestic generic model in their computerization plans to ensure seamless integration. The above mentioned efforts would enable online banking to become more secure and efficient.

RTGS is an instantaneous funds-transfer system, wherein the money is transferred on a 'real time' basis and hence, happens in a real time mode. With this system you can transfer money to other bank account with maximum 2 hours. In this system there is a limit that you have to transfer money only above Rs 1 lakh and for money below Rs 1 Lakh transactions, banks are instructed to offer the NEFT facility to their customers. This is because; RTGS is mainly used for high value clearing. As of now, customers can use the RTGS facility only up to 3 pm and inter-bank transactions are possible up to 5 pm.

Cheque Truncation Payment System : Cheque Truncation is a system of cheque clearing and settlement between banks based on electronic data/images or both without physical exchange of instrument.

Electronic Clearing Service (ECS): This system is used mainly for credit and debits of low value transactions which are in large or frequent transactions. ECS can be divided into two types: ECS Debit, which involves a transfer of funds from your account and ECS Credit which takes place when money comes into your account. If you opt for monthly interest paying fixed deposit scheme then your monthly interest are getting credited to your account by ECS Credit instruction. Other transactions are dividend received on your investments, your monthly salary credit, refunds from an IPO subscription, etc. Similarly, an ECS Debit involves making utility bill payments directly from your bank account, EMI payments on loans, undertaking investments, etc.

A. Benefits of E-Banking

In recent time E-banking has spread rapidly all over the globe. All Banks are making greater use of E-banking facilities to provide better service and to excel in competition. The spread of E-banking has also greatly benefited the ordinary customer in general and corporate world in particular.

Benefits to Consumers:

General consumers have been significantly affected in a positive manner by E-banking. Many of the ordinary tasks

have now been fully automated resulting in greater ease and comfort. • Customer's account is extremely accessible with an online account. • Customer can withdraw cash at any time through ATMs that are now widely available throughout the country. • Besides withdrawing cash customers can also have mini bank statements, balance inquiry at these ATMs • Through Internet Banking customer can operate his account while sitting in his office or home. There is no need to go to the bank in person for such matter. • E banking has also greatly helped in payment of utility bill. Now there is no need to stand in long queues outside banks for his purpose. • All services that are usually available from the local bank can be found on a single website. • The Growth of credit card usage also owes greatly to E-banking. Now a customer can shop worldwide without any need of carrying paper money with him. • Banks are available 24 hours a day, seven days a week and they are only a mouse click away.

Benefits to Banking Industry:

Banking industry has also received numerous benefits due to growth of E-Banking infrastructure. There are highlighted below:

- The growth of E-banking has greatly helped the banks in controlling their overheads and operating cost
- Many repetitive and tedious tasks have now been fully automated resulting in greater efficiency, better time usage and enhanced control.
- The rise of E-banking has made banks more competitive. It has also led to expansion of the banking industry, opening of new avenues for banking operations.
- Electronic banking has greatly helped the banking industry to reduce paper work, thus helping them to move the paperless environment.
- Electronic banking has also helped bank in proper documentation of their records and transactions.
- The reach and delivery capabilities of computer networks, such as the Internet, are far better than any branch network.

Benefits to General Economy: Electronic Banking as already stated has greatly serviced both the general public and the banking industry. This has resulted in creation of a better enabling environment that supports growth, productivity and prosperity. Besides many tangible benefit in form of reduction in cost, reduced delivery time, increased efficiency, reduced wastage, e-banking electronically controlled and thoroughly monitored environment discourages many illegal and illegitimate practices associated with banking industry like money laundering, frauds and embezzlements. Further E-banking has helped banks in better monitoring of their customer base. This is a useful tool in the hand of the bank to devise suitable commercial packages that are in conformity with customer needs. As e banking provides opportunity to banking sector to enlarge their customer base, a consequence to increase the volume of credit creation which results in better economic condition. Besides all this E-banking has also helped in documentation of the economic activity of the masses.

On the other hand, the following are the disadvantages of online banking:-

First is the **slow processing** from the moment you entered a financial transaction with your bank via the computer.

Usually the bank will require you to submit certain documents like an identification card, signature and the like. Certain technical procedures regarding online banking may be taxing too and complicated.

Learning curve. This means, banking online especially in locating the sites may be complicated and hard to find.

Bank site changes. If this occurs, the bank will require you to re-enter all your information again and other related data. Finally is the **trust aspect**. Online banking should be entered very carefully if you wish to enjoy your financial life.

Types of risks associated with Internet banking

A major driving force behind the rapid spread of i-banking all over the world is its acceptance as an extremely cost effective delivery channel of banking services as compared to other existing channels. However, Internet is not an unmixed blessing to the banking sector. Along with reduction in cost of transactions, it has also brought about a new orientation to risks and even new forms of risks to which banks conducting i-banking expose themselves.

Operational risk: Operational risk, also referred to as transactional risk is the most common form of risk associated with i-banking. It takes the form of inaccurate processing of transactions, non enforceability of contracts, compromises in data integrity, data privacy and confidentiality, unauthorized access / intrusion to bank's systems and transactions etc.

Such risks can arise out of weaknesses in design, implementation and monitoring of banks' information system. Besides inadequacies in technology, human factors like negligence by customers and employees, fraudulent activity of employees and crackers / hackers etc. can become potential source of operational risk. Often there is thin line of difference between operational risk and security risk and both terminologies are used interchangeably.

Security risk: Security risk arises on account of unauthorized access to a bank's critical information stores like accounting system, risk management system, portfolio management system, etc. A breach of security could result in direct financial loss to the bank. For example, hackers operating via the Internet, could access, retrieve and use confidential customer information and also can implant virus. This may result in loss of data, theft of or tampering with customer information, disabling of a significant portion of bank's internal computer system thus denying service, cost of repairing these etc. Other related risks are loss of reputation, infringing customers' privacy and its legal implications etc. Thus, access control is of paramount importance. Controlling access to banks' system has become more complex in the Internet environment which is a public domain and attempts at unauthorized access could emanate from any source and from anywhere in the world with or without criminal intent. Attackers could be hackers, unscrupulous vendors, disgruntled employees or even pure thrill seekers. Also, in a networked environment the security is limited to its weakest link. It is therefore, necessary that banks critically assess all interrelated systems and have access control measures in place in each of them.

System architecture and design

Appropriate system architecture and control is an important factor in managing various kinds of operational and security risks. Banks face the risk of wrong choice of technology, improper system design and inadequate control processes. For example, if access to a system is based on only an IP (Internet Protocol) address, any user can gain access by masquerading as a legitimate user by spoofing IP address of a genuine user. Numerous protocols are used for communication across Internet. Each protocol is designed for specific types of data transfer. A system allowing communication with all protocols, say HTTP (Hyper Text Transfer Protocol), FTP (File Transfer Protocol), telnet etc. is more prone to attack than one designed to permit say, only HTTP.

Reputational risk: Reputational risk is the risk of getting significant negative public opinion, which may result in a critical loss of funding or customers. Such risks arise from actions which cause major loss of the public confidence in the banks' ability to perform critical functions or impair bank-customer relationship. It may be due to banks' own action or due to third party action.

Legal risk: Legal risk arises from violation of, or non-conformance with laws, rules, regulations, or prescribed practices, or when the legal rights and obligations of parties to a transaction are not well established. Given the relatively new nature of Internet banking, rights and obligations in some cases are uncertain and applicability of laws and rules is uncertain or ambiguous, thus causing legal risk.

Money laundering risk: As Internet banking transactions are conducted remotely banks may find it difficult to apply traditional method for detecting and preventing undesirable criminal activities. Application of money laundering rules may also be inappropriate for some forms of electronic payments. Thus banks expose themselves to the money laundering risk. This may result in legal sanctions for non-compliance with "know your customer" laws. To avoid this, banks need to design proper customer identification and screening techniques, develop audit trails, and conduct periodic compliance reviews, frame policies and procedures to spot and report suspicious activities in Internet transactions.

Cross border risks: Internet banking is based on technology that, by its very nature, is designed to extend the geographic reach of banks and customers. Such market expansion can extend beyond national borders. This causes various risks.

It includes legal and regulatory risks, as there may be uncertainty about legal requirements in some countries and jurisdiction ambiguities with respect to the responsibilities of different national authorities. Such considerations may expose banks to legal risks associated with non-compliance of different national laws and regulations, including consumer protection laws, record-keeping and reporting requirements, privacy rules and money laundering laws.

Also, the foreign-based service provider or foreign participants in Internet banking are sources of country risk to the extent that foreign parties become unable to fulfill their obligations due to economic, social or political factors.

Strategic Risk: This risk is associated with the introduction of a new product or service. Degree of this risk depends upon how well the institution has addressed the various issues related to development of a business plan, availability of sufficient resources to support this plan, credibility of the

vendor (if outsourced) and level of the technology used in comparison to the available technology etc.

Credit risk: is the risk that a counter party will not settle an obligation for full value, either when due or at any time thereafter. Banks may not be able to properly evaluate the credit worthiness of the customer while extending credit through remote banking procedures, which could enhance the credit risk. Presently, banks generally deal with more familiar customer base. Facility of electronic bill payment in Internet banking may cause credit risk if a third party intermediary fails to carry out its obligations with respect to payment. Proper evaluation of the creditworthiness of a customer and audit of lending process are a must to avoid such risk.

Liquidity Risk arises out of a bank's inability to meet its obligations when they become due without incurring unacceptable losses, even though the bank may ultimately be able to meet its obligations. It is important for a bank engaged in electronic money transfer activities that it ensures that funds are adequate to cover redemption and settlement demands at any particular time. Failure to do so, besides exposing the bank to liquidity risk, may even give rise to legal action and reputational risk.

Other risks

Traditional banking risks such as credit risk, liquidity risk, interest rate risk and market risk are also present in Internet banking. These risks get intensified due to the very nature of Internet banking on account of use of electronic channels as well as absence of geographical limits. However, their practical consequences may be of a different magnitude for banks and supervisors than operational, reputational and legal risks. This may be particularly true for banks that engage in a variety of banking activities, as compared to banks or bank subsidiaries that specialize in Internet banking. Thus authorities need to encourage banks to develop a risk management process rigorous and comprehensive enough to deal with known risks and flexible enough to accommodate changes in the type and intensity of the risks.

VI. ANALYSIS AND INTERPRETATION:

Table No:1 Distribution of Respondents according to Satisfaction level of Banking Services

Responses	No. of Respondents	Percentage
Highly Satisfied	64	32
Satisfied	10	55
No Opinion	20	10
Dissatisfied	04	02
Highly Dissatisfied	02	01
Total	200	100

Source: Primary Data

This table is framed to draw the answer for the question raised in the paper. The responses are collected regarding the satisfaction level of the customers. Among the respondents 64 are highly satisfied and 55% are satisfied with services offered by the banker. It is confined that majority of them are satisfied. 02 % respondents are opinioned that they are dissatisfied and only 1% respondent is highly dissatisfied. On the whole majority of respondents are satisfied.

Table No 2 : Distribution of Respondents on the Basis of Demographic Factors

Demographic Variables	Categories	No. of Respondents	Percentage
Gender	Male	158	79
	Female	42	21
Age	18-25	46	23
	26-32	38	19
	33-45	86	43
	Above 45	30	15
Occupation	Professional	68	34
	Employed	90	45
	House wife	08	04
	Retired	06	03
	Students	28	14
Education	High School	58	29
	Graduate	20	10
	Post Graduate	80	40
	Higher than post graduate	42	21

Source: Primary Data

Table no. 2 presents the demographic characteristic of the 200 respondents (users of online banking). About 79% of the respondents are male and 21% respondents are females, other data are represented in the above table.

Table No 3: Distribution of Respondents according to customer services availed in the Banks on age-wise.

Services / Age	Below 25	26-32	33-45	Above 45	Total
Cash Deposit / Withdrawal	14	08	12	14	48
RTGS	-	-	04	02	06
NEFT	04	06	30	04	44
Tele banking	02	02	06	02	12
Credit card	-	08	14	02	24
Overdraft	-	-	04	-	04
ATM	20	08	12	04	44
Demand Draft	06	06	04	02	18
No. of Respondents	46	38	86	30	200

Source: Primary Data

This table exhibits the types of services availed by the respondents based on the age group. Among the respondents considered in the study area 48 respondents are availing the services of deposit and withdrawals. And the NEFT facility is availed by respondents lying in the age group of below 33-45 age groups are availing modern facilities.

Table No 4: Distribution of Respondents according to handling of customer complaints.

Complaints position	No. of Respondents	Percentage
Importance is given	182	91
Importance is not given	18	09
Total	200	100

Source: Primary Data

The Majority of respondents i.e. 91 percentage of them are having the opinion of their complaints are entertained and importance is given for resolving the complaints and grievances. Only 9% respondent have opinioned that their complaints are not given with importance. Hence it is confined that majority of respondents are satisfied that their complaints are entertained by authorities.

Table No 5: Distribution of Respondents according to customer and their possession of different account

Account types	No. of Respondents	Percentage
Saving Account	124	62
Current Account	04	02
Recurring Account	28	14
Fixed Account	16	08
Loan Account	28	14
Total	200	100

Source: Primary Data

This table shows the possession of different types of banking accounts. It shows majority of customer are having saving account and lowest level in current account. Saving Account takes the high priority among the customers in the study area.

Table No 6: Distribution of Respondents according to position of the person visiting bank.

Position of person	No. of Respondents	Percentage
Account Holders	186	93
Instead of Account Holders	14	07
Total	200	100

Source: Primary Data

According to this table majority of respondents visiting the banks 93% are account holders i.e. more are interested to operate their own account.

Table No 7: Distribution of Respondents according to holding of different types of accounts and occupation

Occupation/Types of Accounts	Saving Account	Current Account	Recurring Deposit	Term Deposit	Loan Account	No. of Respondents
Government	14	-	04	02	-	20
Private	50	-	08	04	08	70
Business	06	04	-	-	-	10
Professional	24	-	16	06	12	58
Housewife	06	-	-	02	-	08
Student	20	-	-	-	08	28
Retired	04	-	-	02	-	06

Source: Primary Data

The above table exhibits the account of respondents with the pattern of occupation. Of this maximum respondents are having savings accounts and they are belonging to private employment. The next position is occupied by recurring deposit account holders, and in this also majority of the respondents are in Professional. On the whole this shows that, maximum respondents are having saving account and they are in private employment.

Table No 8: Distribution of Respondents according to Holding of account with the bank and their satisfaction level

Service Ratings	Less than 1 year	1-5 years	5-10 years	Above 10 years	No. of Respondents	Percentage
Excellent	12	42	28	20	102	51
Good	16	30	12	10	68	34
Average	06	12	02	04	24	12
Poor	02	04	-	-	06	03
Very Poor	-	-	-	-	-	-
Total	36	88	42	34	200	100

Source: Primary Data

This table is framed to draw the answer for the question raised in the paper. The responses are collected regarding the satisfaction level of the customers. Among the respondents 102 are highly satisfied and 68 are satisfied with services offered by the banker. It is confined that majority of them are satisfied. 06 respondents are opinioned that they are dissatisfied. On the whole majority of respondents are satisfied.

Table No 9: Distribution of Respondents according to Holding of Different types of Accounts and Income wise

Annual Income	Saving Account	Current Account	Recurring Deposit	Term Deposit	Loan Account	No. of Respondents
Below Rs.1,00,000	36	-	-	-	08	44
Rs.1,00,001 to Rs.2,50,000	60	02	16	06	16	100
Rs.2,50,001 To Rs.5,00,000	16	02	04	04	02	28
Above Rs.5,00,000	12	-	08	06	02	28
Total	124	04	28	16	28	200

Source: Primary Data

This table highlights the income wise classifications of respondents holding their accounts. Of this respondents are having saving accounts, maximum number of respondents is having income level of that Rs.2, 50,001 to 5, 00,000. In case of current account 02 respondents are in this group. In general majority of respondents are having savings accounts and recurring deposit account.

VII. FINDINGS OF THE STUDY

The majority of customers from the study area are feeling good. In addition, customers' demographic characteristic such as age was found to have a negative effect on customers' attitude towards online banking. This result implies that older customers have a negative attitude towards e-banking as a whole and e-banking in particular as compared to younger adults who are more interested in using this new technology. Education also proves to be a very important determinant of customer's attitude towards online banking services. This implies that the more educated a customer is, the more likely they are to online banking services. However, other demographic characteristics of customers such as age, income level and gender were statistically insignificant in influencing customer's attitude towards online banking services.

VIII. STRATEGIES

Customers prefer to avail e-banking services, but at the same time, they face many problems like less knowledge, poor response of employees, lack of online shopping facilities and difficulty in opening an account, and fund transfer etc., while using these e-channels due to which they are unable to take full advantage of these services. The paper suggests some strategies to eradicate these problems.

Strategies: 1. Awareness of e-banking services. 2. To promote trust 3. Offer proper education and training to the customers 4. Ease of use 5. Online shopping facilities 6. ATM machines installed at suitable locations, 7. Proper network facilities and 8. Banks should provide more security measures. For if banks can ensure these strategies, customers will turn to have confidence in adopting and using these e-banking services without any hesitations

IX. CONCLUSION

Electronic banking is making rapid strides due to evolving communication technology. Penetration of Internet banking is increasing in most countries. Banking sector acts as the backbone of modern business. Banks help channel savings to investments and encourage economic growth by allocating savings to investments that have potential to yield higher returns. The present study concludes that all banks-whether it is public sector, private sector or foreign banks are providing e-banking services. Also, customers have become more demanding with the passage of time. The study concluded that different age, occupation group of customers have different perception toward the e-banking services and the usage level of these banks' customer is different so bank should concentrate on all the age, occupation group of customers for betterment of e-banking banks.

The customers are satisfied with the quality of e-banking services. In the modern arena people cannot lead out life without availing the services of banks. It is observed from the above survey that, maximum levels of respondents are satisfied from the services offered by the banks.

Finally, on the whole the paper is concluded that the satisfaction levels of the customers are good with respect to the banking services in the study area.

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