Literature Review on Internet Banking

Contents of the chapter

<table>
<thead>
<tr>
<th>SR. NO.</th>
<th>TITLE</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Meaning of Literature Review</td>
<td>62</td>
</tr>
<tr>
<td>2.2</td>
<td>Purpose of Literature Review</td>
<td>62</td>
</tr>
<tr>
<td>2.3</td>
<td>Relationship between Literature Review and Research Problem</td>
<td>62</td>
</tr>
<tr>
<td>2.4</td>
<td>National Literature Review</td>
<td>63</td>
</tr>
<tr>
<td>2.5</td>
<td>International Literature Review</td>
<td>66</td>
</tr>
</tbody>
</table>
2.1 Meaning of Literature Review

• Provides an overview and a critical evaluation of a body of literature relating to a research topic or a research problem.
• Analyzes a body of literature in order to classify it by themes or categories, rather than simply discussing individual works one after another.
• Presents the research and ideas of the field rather than each individual work or author by itself.

A literature review often forms part of a larger research project, such as within a thesis (or major research paper), or it may be an independent written work, such as a synthesis paper.

2.2 Purpose of a literature review

A literature review situates your topic in relation to previous research and illuminates a spot for your research. It accomplishes several goals:
• provides background for your topic using previous research.
• shows you are familiar with previous, relevant research.
• evaluates the depth and breadth of the research in regards to your topic.
• determines remaining questions or aspects of your topic in need of research.

2.3 Relationship between a literature review and a research project

Academic research at the graduate level is always part of a dialogue among researchers. As a graduate student, you must therefore indicate that you know where your topic is positioned within your field of study.

Therefore, a literature review is a key part of most research projects at the graduate level. There is often a reciprocal relationship between a literature review and the research project for which it is written:
• A research project is often undertaken in response to a literature review. Doing the literature review for a topic often reveals areas requiring further research. In this way, writing the literature review helps to formulate the research question.
• A literature review helps to establish the validity of a research project by revealing gaps in the existing literature on a topic that offer opportunities for new research.
2.4 National Literature Review

Rakesh H M & Ramya T J (2014)
In their research paper titled “A Study on Factors Influencing Consumer Adoption of Internet Banking in India” tried to examine the factors that influence internet banking adoption. Using PLS, a model is successfully proved and it is found that internet banking is influenced by its perceived reliability, Perceived ease of use and Perceived usefulness. In the marketing process of internet banking services marketing expert should emphasize these benefits its adoption provides and awareness can also be improved to attract consumers’ attention to internet banking services.

Amruth Raj Nippatlapalli (2013)
In his research paper “A Study on Customer Satisfaction of Commercial Banks: Case Study on State Bank of India”. This paper present Customer satisfaction, a term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.” Banking in India originated in the last decades of the 18th century. The first banks were The General Bank of India, NOW which started in 1786, and Bank of Hindustan, which started in 1790; both are now defunct. The oldest bank in existence in India is the State Bank of India, which originated in the Bank of Calcutta in June 1806, which almost immediately became the Bank of Bengal. This was one of the three presidency banks, the other two being the Bank of Bombay and the Bank of Madras, all three of which were established under charters from the British East India Company. For many years the Presidency banks acted as quasi-central banks, as did their successors. The three banks merged in 1921 to form the Imperial Bank of India.

Mr. Vijay Prakash Gupta & Dr. P. K. Agarwal (2013)
In their research paper “Comparative Study of Customer Satisfaction in Public Sector and Private Sector Banks in India”. This paper gives with the introduction of liberalization policy and RBI's easy norms several private and foreign banks have entered in Indian banking sector which has given birth to cut throat competition amongst banks for acquiring large customer base and market share. Banks have to
deal with many customers and render various types of services to its customers and if
the customers are not satisfied with the services provided by the banks then they will
defect which will impact economy as a whole since banking system plays an
important role in the economy of a country, also it is very costly and difficult to
recover a dissatisfied customer. Since the competition has grown manifold in the
recent times it has become a herculean task for organizations to build loyalty, the
reason being that the customer of today is spoilt for choice. It has become imperative
for both public and private sector banks to perform to the best of their abilities to
retain their customers by catering to their explicit as well as implicit needs. Many a
times it happens that the banks fail to satisfy their customer which can cause huge
losses for banks and there the need of this study arises. The purpose of this research
article is to examine the customer satisfaction among group of customer towards the
public sector& private sector banking industries in India. Study is cross-sectional and
descriptive in nature. The researcher tries to makes an effort to clarify the Customer
Service satisfaction in Indian banking Sector. Descriptive research design is used for
this study, where the data is collected through the questionnaire. The information is
gathered from the different customers of the two banks, viz., PNB and HDFC Bank
located in the Meerut Region, Uttar Pradesh. Hundred bank respondents from each
bank were contacted personally in order to seek fair and frank responses on quality of
service in banks. The service quality model developed by Zeithamal, Parsuraman and
Berry (1988) has been used in the present study. The analysis clearly shows that there
exists wide perceptual difference among Indian (public sector) banks regarding
overall service quality with their respective customers, when compared to Private
sector banks. Whereas the said perceptual difference in private banks is narrow.

Ms. Nisha Malik & Mr. Chand Prakash Saini (Jul 2013)
In their research titled on “Private Sector Banks Service Quality and Customer
Satisfaction” A Empirical Study two Private Sector Banks”. This research paper is an
effort to examine the relationship between service quality and customer satisfaction of
two private sectors bank of India. Service quality has been described as a form of
attitude that results from the comparison of prospect with recital (Cronin and Taylor,
evaluating the quality of service, compare the service they expect with perceptions of
the services they actually receive. Since financial products offered by various banks
are similar by nature then why any particular bank of product of any bank is preferred than others a matter of interest for academician as well as banking industry. They may be difference between customers of public and private sector banks, but why are two banks of one sector being preferred differently by customers. This research study is an effort to find out the answer of these questions.

**Vijay M. Kumbhar (2011)**

In his research paper “Factors Affecting the Customer satisfaction In E-Banking: Some evidences Form Indian Banks”. This study evaluates major factors (i.e. service quality, brand perception and perceived value) affecting on customers’ satisfaction in e-banking service settings. This study also evaluates influence of service quality on brand perception, perceived value and satisfaction in e-banking. Required data was collected through customers’ survey. For conducting customers’ survey liker scale based questionnaire was developed after review of literature and discussions with bank managers as well as experts in customer service and marketing. Collected data was analyzed using principle component (PCA) using SPSS 19.0. A result indicates that, Perceived Value, Brand Perception, Cost Effectiveness, Easy to Use, Convenience, Problem Handling, Security/Assurance and Responsiveness are important factors in customers satisfaction in e-banking it explains 48.30 per cent of variance. Contact Facilities, System Availability, Fulfillment, Efficiency and Compensation are comparatively less important because these dimensions explain 21.70 percent of variance in customers’ satisfaction. Security/Assurance, Responsiveness, Easy to Use, Cost Effectiveness and Compensation are predictors of brand perception in e-banking and Fulfillment, Efficiency, Security/Assurance, Responsiveness, Convenience, Cost Effectiveness, Problem Handling and Compensation are predictors of perceived value in e-banking.

**Pooja Malhotra & Balwinder SINGH (2009)**

In their research paper “The Impact of Internet Banking on Bank Performance and Risk: The Indian Experience”. The paper describes the current state of Internet banking in India and discusses its implications for the Indian banking industry. Particularly, it seeks to examine the impact of Internet banking on banks’ performance and risk. Using information drawn from the survey of 85 scheduled
commercial bank’s websites, during the period of June 2007, the results show that nearly 57 percent of the Indian commercial banks are providing transactional Internet banking services. The univariate analysis indicates that Internet banks are larger banks and have efficiency ratios and profitability as compared to non-Internet banks. Internet banks rely more heavily on core deposits for funding than non-Internet banks do. However, the multiple regression results reveal that the profitability and offering of Internet banking does not have any significant association, on the other hand, Internet banking has a significant and negative association with risk profile of the banks.

2.5 International Literature Review

Shaza W. Ezzi (April 2014)

In their research paper titled “A Theoretical Model for Internet Banking: Beyond Perceived Usefulness and Ease of Use” tried to inquired different types of electronic banking like ATM’s, telephone banking, and electronic funds transfer, Internet banking like has evolved from consumers’ needs to have superior access to banking services clear of most banks teller-staffed, normal operating hours. Additionally, Internet banking has grown swiftly from the recent and the span increases in e-commerce. Internet banking (IB) continues to govern the landscape of electronic banking as consumers continue to use IB to complete schedule banking transactions in addition to conducting on-line sales and purchasing. This study presents a theoretical model considered to help researchers and practitioners better understand the acceptance and adoption of Internet Banking. The proposed model maybe particularly useful in developing nations where consumers are loath to use Internet Banking even when the services are available. However, a review of several studies that have investigated consumers’ acceptance of Internet banking services from a multiplicity of perspectives have not reached a clear consensus of the factors that contribute to overall consumer acceptance and adoption. The paper concludes with discussions of the managerial implications and avenues for future research.
kartikeya bolar (2014)
In their research paper “End-user Acceptance of Technology Interface In Transaction Based Environment” “This paper presents Creators and investors of technology need information about the customers’ assessment of their technology interface based on the features and various quality dimensions to make strategic decisions in improving technology interfaces and compete on various quality dimensions. The research study identifies the technology interface dimensions as perceived by the end-users in a transaction based environment (viz. Internet banking) in India, using exploratory factor analysis. The influence of these dimensions on the utility of technology interface and hence the usage is examined by Structural Equation Modeling. The moderating role of user demographics and technology comfort is also tested. Managerial implications are discussed.

Dorra Gherib (2014)
In their research paper titled “Adoption and diffusion of internet banking: case of Tunisian banking sector” “tried to observe the embracing of Internet banking in the Tunisian banking industry. The aim is to make out factors that accelerate or slow down the implementation process. The literature review enables identifying a set of variables: organizational, individual and structural. The research methodology used within this study is the case study. Five case studies in banking sector were executed. The sample is shaped by banks that adopted the Internet Baking as a modernization. The analysis allowed the willpower of the related dimensions of the aforesaid variables (competition, perceived benefits, and organizational compatibility). Indeed, this research has exposed some variables that hamper the implementation of technological innovations.

Nabil Hussein Al-Fahim (2013)
In his research titled “An tentative Study of Factors distressing the Internet Banking espousal: A Qualitative Study among Postgraduate Students” tried to find out the factors that affect the internet banking espousal among postgraduate’ students in International Islamic University Malaysia (IIUM). Approach- Semi structured interviews with eight informant; four adopters and four non-adopters on postgraduate’ students were conducted to explore this issue. The results revealed that adopters and
non-adopters realized that internet banking (IB) has quite a lot of benefits and amenities. However, non adopters were concerned about some factors like trust, ease of use, awareness and security. The results also showed that adopters had positive influence on use of online banking and they did not have problems with these factors because they had sufficient knowledge and experience in using online banking. The findings are important to enable bank Executives to have a better understanding of clients’ perception to adopt internet banking. This will help banks’ managers and owners formulate strategies that could significantly affect IBA among their customers.

Anil Kumar and Manoj Kumar Dash (2013)
In their research paper “Constructing a Measurement in Service Quality for Indian Banks: Structural Equation Modeling Approach”...The aim of this paper is to construct a measure in service quality for Indian banks and establishes a causal relationship of service attributes performance with customer satisfaction. The SERVQUAL model is used. The quantification of service quality led to the attempt to construct an index. The index is constructed using Structural Equation Modeling (SEM) and American Customer Satisfaction Index (ACSI) as the underlying frameworks. The analysis is based on data of 200 bank customers from the Delhi-NCR. An adapted ACSI is enhanced and improved to accommodate two exogenous constructs. The results indicate that service quality variables are important antecedents of customer satisfaction and retention. These antecedents of service quality have a positive significantly relationship with customer satisfaction. The study concludes with an analysis of how different dimensions of service quality performance attribute impact on customer satisfaction and retention. Such a framework should provide valuable insights to the bank manager to identify key service performance indicators and to design more effective and efficient marketing and management strategies to satisfy their customer.

Shilpi Khandelwal (2013)
In his research titled on “E Banking: Factors of Adoption in India” This paper present the last decade has witnessed a drastic change in the economic and banking environment all over the world. With the economic and financial sector reforms introduced in the country since early 1990s, the operating environment for banks in
India has also undergone a rapid change. Increasingly, more and more people are switching to electronic platforms for executing financial transactions. Internet banking has brought about a 360 degree change in the entire banking industry. The wider usage of cell phone and internet certainly seems to be playing a role in blurring physical boundaries, and unlocking a whole new world of opportunities for banks in tapping newer customer segments and in recording greater volume of transactions. For the banks, technology has emerged as a strategic resource for achieve in higher efficiency, control of operations, productivity and profitability. For customers, it is the realization of their anywhere, anytime, anyway banking dream. This has prompted the banks to embrace technology to meet the increasing customer expectation and face the tough competition. This research paper is focused on what are the drivers that drive consumers towards adoption of E banking. How consumers have accepted internet banking and how to improve the usage rate were the focus of research area in this study.

Donnelie K Muzividzi, Rangarirai Mbizi & Tinashe Mukwazhe (2013)

In their research paper “An Analysis of Factors That Influence Internet Banking Adoption among Intellectuals: Case of Chinhoyi University of Technology”. This paper investigate the adoption on internet banking has remained sluggish despite the efforts by banks to promote the technology. The purpose of the research project was to identify the factors that affect the adoption of internet banking in a bid to construct ways to salvage the situation. The research focused on intellectuals who better understand technology than the general public. Data was collected using questionnaires and interviews from the population of 5000 students and academic staff at Chinhoyi University of Technology. A sample of 450 students and staff were selected from the population. The research identified various factors that impose barriers and enhance adoption of internet banking. Chief among these were compromised security of transactions and marketing exposure. It also unearthed the impact of demographic on internet banking adoption. Two hypotheses were tested, the first one which was meant to determine if there exist any relationship between age and internet banking adoption. It was concluded that there is a negative relationship between age and internet banking adoption. The second hypothesis assumed an association between internet banking and level of education. Education was deemed a prerequisite in enhancing the smooth adoption of internet banking and hence one
should have a significant level of education to take up the technology. In waging a protracted war against low levels of internet banking adoption the research concluded banks should rather concentrate in promoting the product (internet banking). Bank should also institute measures to guarantee the security of transactions to internet bank users as this remains the stumbling block to many potential customers.

Ankit Kesharwani & Gajulapally Radhakrishna (2013)
In their research paper “Drivers and Inhibitors of Internet Banking Adoption in India”. This paper research on different banks is on condition that e-banking services, as this would revolutionize their profits. Since internet banking in India is still in its nascent stage, it is essential for e-banking institutions to enhance reception and usage of internet as a banking channel by their customers. This paper has reviewed the most of seminal studies in the area of diffusion of innovation and makes an attempt to do an experimental research that looked into the factors that drives and inhibits internet banking usage in India. An investigative factor analysis followed by a positive factor analysis has been applied on 362 internet banking users. Findings resulted in seven factors – perceived benefit, hacking and fraud risk, performance risk, computer self-efficacy, technology intricacy, social influence, and pricing concerns. The results suggest that acceptance and usage of internet banking services can turn into a fundamental concern for future research, as the drivers overcoming the inhibitors over time at an influencing rate. Moreover, this study also compares the findings with extant diffusion of innovation literature and identified several additional factors that can affect internet banking adoption in India.

Ms. Fozia (2013)
The purpose of this paper is to determine the customer’s perception toward the e-banking services. A total of number of customer taken for the study is 196. Analysis of variance technique is employed to study the significant relationship between the occupation and customer perception of e-banking services and significant relationship between the age and customer perception of e-banking services. The result of the study clearly shows that different age group of customer and different occupation group of customers have different perception toward the e-banking services. The results also propose that demographic factors impact significantly internet banking behavior, specifically, occupation and age. Finally, this paper suggests that an
understanding about the customer’s perception regarding the e-banking services of public and private banks it will help to the banker to understand the customers need in better way.

**Jayshree Chavan (2013)**

In his research paper “Internet Banking- Benefits and challenges in an Emerging Economy”. This study presents New Information technology has taken imperative place in the future expansion of financial services, especially banking sector conversion are affected more than any other financial provider groups. Increased use of mobile services and use of internet as a new division channel for banking transactions and international trading requires more concentration towards e-banking security against deceptive activities. The development and the increasing progress that is being experienced in the Information and Communication Technology have brought about a lot of changes in almost all facets of life. In the Banking Industry, it has been in the form of online banking, which is now replacing the traditional banking practice. Online banking has a lot of benefits which add value to customers’ satisfaction in terms of better quality of service offerings and at the same time enable the banks gain more competitive gain over other competitors. This paper discusses some challenges in an emerging economy.

**Yitbarek Takele & Zeleke Sira (2013)**

In their research paper titled “Analysis Of Factors Influencing Customers’ Intention To The Adoption Of E-Banking Service Channels In Bahir Dar City: An Integration of Tam, Tpb And Pr “ tried to search factors that sway customers’ intention to adopt e-banking service channels in Bahir Dar city. A theoretical framework was developed by integrating six variables from theory of premeditated behavior, technology reception model and previous studies. The findings discovered that attitude, subjective norm, supposed behavioral control, supposed usefulness and perceived ease of use and supposed risk were significant in affecting users’ intention to use e-banking service channels. The construct perceived behavioral control emerged as a overriding factor followed by attitudes and professed usefulness in predicting an individual’s intention to adopt e-banking service channels. Finally, attitude is jointly predicted by professed behavioral control, apparent usefulness, seeming ease of use and superficial risk while perceived ease of use contributed more for the dissimilarity in attitude.
Bahram Meihami, Zeinab Varmaghani & Hussein Meihami (2013)

In their research paper “The Effect of Using Electronic Banking on Profitability of Bank“ This paper deals with Electronic banking is the use of electronic means to transfer funds directly from one account to another, rather than by check or cash. Through reducing bank costs, electronic banking can increase bank incomes. In this research the role of electronic banking (i.e. automated teller machines, bank card, internet bank, telephone bank, point of sale) in increasing bank incomes is studied. The statistical society of this research is the private banks staff of Kurdistan province. Based on Cochran formula, the research sample size was estimated 147. The research data was gathered through financial statements, a questionnaire contains 42 questions, and interview. The gathered data was analyzed through descriptive statistics (i.e. diagrams and frequency distribution tables) and inferential statistics (i.e. ANOVA test, T test, multiple regressions, Scheffe's test, T Thutong). The research findings shows there is a positive and strong relationship between electronic banking and its five components (i.e. automated teller machines, bank card, internet bank, telephone bank, point of sale) with bank incomes. According to the research findings, the correlation between independent variables (five components of electronic banking) and dependent variable (bank charges) is 0/817 and 0/63 of the dependent variable changes are explained by independent variables. Finally, the research findings shows automated teller machine (ATM) has the maximum influence on bank incomes (Beta=0.407) and telephone bank has the minimum influence on bank incomes (Beta=0.103).

Rifat O. Shannak (2013)

In their research paper titled “KEY ISSUES IN E-BANKING STRENGTHS AND WEAKNESSES: THE CASE OF TWO JORDANIAN BANKS “tried to scrutinize uses mixed method. Research about e-banking has been conducted from different angles on different topics by a number of researchers. The paper aims to scrutinize the current status of Jordan’s e-banking industry, make out its strengths and weaknesses, and use the findings in formulating future recommendations to make a donation to knowledge in the chosen area. The choice of the topic was informed by previous studies and experiences of the researcher and his former students from different countries but currently focuses on the e-banking industry in Jordan. The methodology used to achieve the research objectives included carrying out interviews with two
local banking executives, a direct opinion poll for banking customers, and the review of the extant literature. The research commenced by formulating four hypothesis that address the positive impact of e-banking for both the banks and their patrons. However, an inadequate size sample was selected due to research boundaries. The point of reference of the paper turned out to be explanatory and in the direction of being a case study within the Jordanian context. This exploratory research therefore, focused on three main magnitude of e-banking in Jordan namely; Infrastructure readiness, behavioral influences, and the regulatory coverage. The findings indicated that while the infrastructure is advanced in comparison to some of the other regional examples, it was still below the Western standards. It also has been established that the Jordanian e-banking is still not trusted enough by the individual clients. Finally, the legal or regulatory coverage in Jordan was found to be not fully satisfactory yet, although not very unusual from what exists in some of the most sophisticated country examples that it was benchmarked with. Some important recommendations to enhance the e-banking industry are presented, such as; focusing more on the mobile-functionalities and services for being more advanced than internet services in Jordan, enhancing the broader e-commerce regulations that are weakening the more advanced local e-banking regulations, and launching local awareness and familiarization campaigns which could be undertaken by Jordanian banks.

Basweti Ogachi Kevin, Masese Chuma Benard & Dr. Martin Onsiro Ronald (2013)

In their research titled on “Impact and Challenges of Information Communication Technology Adoption in the Tanzanian Banking Sector” The banking sector across the globe is embracing ICT technologies and using as part of business strategy for expansion, revenue increase, extension of customer network and creating competitive advantage among banking institutions. This paper is an effort to investigate the impacts and challenges of ICT adoption in the Tanzanian banks. The population is forty eight respondents, four managers were selected from twelve banks and out of the 48 questionnaires distributed, 42 were collected i.e. 87.5% response, purposive sampling was used and the data collected was analyzed using SPSS, the researcher employed use of mean and standard deviation. The study found out that there is a need for bankers to educate public in the use of online banking products, invest more into ICT infrastructure and the government to reduce tax of ICT gadgets. This study
LITERATURE REVIEW ON INTERNET BANKING

Neeli Prameela, Dr. B. Abdul Azeem & K.V. Geetha Devi (2012)

This study is a challenge to Owing to the high costs occupied in increasing the current client base, one of the main goals of banks and other monetary services providers, which operate through the internet, should be to develop customer allegiance in order to improve the results. To achieve this aim, these companies face most imperative challenge in providing and maintaining service quality. Service quality is an input of customer trust which becomes satisfaction and lead to loyalty as an output. But the research in the development of e-loyalty is scarce and partial. This paper attempts to accumulate invented story in order to understand the overall structure of the formation of e-loyalty. The literature reviewed provides underlying patterns of relationships between e-banking loyalty and its influencing factors. Such understanding is relevant for academicians and researchers for furthering the work in this field. The insights into the previous studies, considered for this paper, are discussed and suggestions for future research are provided.

Dr. G S Gireesh Kumar, Bijoy A P and Ajimon George (2012)

In their research paper “Effect of Service Quality Dimensions on Adoption of Internet Banking–An Empirical investigation of Customer’s Perspectives in Kerala”. The purpose of this research is to examine the interrelationship between the IB service quality dimensions and adoption of IB by customers in Kerala. Using a structured questionnaire, primary data were collected from 240 IB users from both public sector banks and private sector banks, identified randomly from various parts of Kerala. It is quite evident that adoption of IB by customers is a function of various service quality dimensions and extent of adoption is determined by the level satisfaction on various elements. Multiple regression was used to study the interrelationship between dependent variable (Adoption i.e., Years of IB use) and independent variables (web security, reliability, responsiveness, fulfillment, efficiency and privacy). The findings indicate that the strongest predictor based on Beta values is website security followed by privacy and responsiveness. The banks should take appropriate strategies and tactics to empower and delight customer force to popularize and penetrate IB services.
since it is cheap, convenient and easily accessible. Findings of the study may assist banks immensely in addressing the user problems and understanding their perceptions influencing adoption decision.

In their research paper “An exploratory study on adoption of electronic banking: underlying consumer behavior and critical success factors. Case of Nigeria” This paper investigates the factors that pressure the consumer adoption of Electronic banking in Nigeria and found that there is a need to conduct research on Electronic banking espousal behavior. The experimental data were collected from a questionnaire survey of 125 from Bayer University Kano (BUK), in northern Nigeria. This study examines the relationship between Electronic banking adoption and the determining factors for critical triumph of Electronic Banking in Nigeria. Hence, the results show’s that the relevant factors single-minded the adoption of Electronic banking in Nigeria include the level of its six factors, namely awareness, ease of use, security, cost, reluctance to change and accessibility. The results of this study show that four factors examined are significantly important to the espousal of Internet banking in Nigeria. However, identify ease of use and reluctant to change are found to be insignificant in determining its adoption. This study provides insightful understanding of academic staff and non academic staff awareness about Electronic banking adoption in their banking transactions. Banks and other private sector in Nigeria that are interested in promoting Electronic Banking might find these findings helpful in guiding their efforts.

This paper investigates the factors that influence the consumer adoption of Electronic banking in Nigeria and found that there is a need to conduct explore on Electronic banking adoption behavior. The experimental data were collected from a questionnaire survey of 125 from Bayer University Kano (BUK), in northern Nigeria. This study examines the relationship between Electronic banking adoption and the determining factors for critical success of Electronic Banking in Nigeria. Hence, the results show’s that the relevant factors determined the adoption of Electronic banking in Nigeria include the level of its six factors, namely wakefulness, ease of use, security, cost, reluctance to change and accessibility. The results of this study show that four factors examined are significantly important to the results of this study show
that four factors examined are significantly important to the adoption of Internet banking in Nigeria. However, perceive ease of use and reluctant to change are found to be insignificant in determining its adoption. This study provides insightful understanding of academic staff and non academic staff perception about Electronic banking adoption in their banking transactions. Banks and other private sector in Nigeria that are interested in promoting Electronic Banking might find these findings helpful in guiding their efforts.

Neetu Jain & DR. Pooja Malhotra (2012) in their research paper “Demographic Factors Affecting the Adoption of Internet Banking in India”. The goal of this paper to find out the demographic factors affecting adoption of electronic banking in general and Internet banking in particular in India.

The data for this study is based upon a survey of bank customers using a convenience sampling technique with the aid of a structured self-administered questionnaire. The survey was conducted during the period of April 2012. The results of this study indicate that age, education, income, and profession are the most influential demographic variables affecting Internet banking usage. Using a mailed questionnaire with a response rate of 38.9 per cent, it was found that 40 per cent of the Indian consumers who responded to this survey were already using Internet banking services. The results of this study provide interesting additions to knowledge of electronic banking and contribute to our understanding of Internet banking users as well as nonusers.

RIMPI KAUR (December 2012)

In her research titled on “An Impact of IT on Branch Productivity of Indian Banking in the Era of Transformation” It can research on banking all over the world witnessed changes during last decade, which perhaps it did not see during its entire history. The changes are not only confined to developed countries, banking in developing countries like ours has also witnessed drastic changes. It is due to liberalization of economies and related policies, globalization of world markets especially because of increasing interdependence of different developed and developing countries. In this context of changing environment, the new financial services have been provided with the support of Information Technology such as transfer of funds across and beyond the national boundaries. Financial institutions, including banks, all over the world are,
therefore, crucially dependent on information technology and consequently, it has become imperative to evaluate the performance of banking industry. The present paper analyzes the impact of IT on branch productivity and concludes that IT along with other factors, improving the productivity at an excellent rate and fully IT-oriented banks are the most beneficiaries whereas partially IT-oriented banks though proved increase in productivity in the post-e banking period but still not harmonized with fully IT-oriented banks. The paper also suggests some measures to improve the branch performance along with better utilization of IT.

Bindiya Tater, Manish Tanwar, and Krishna Murari (2011)
In their research titled on “CUSTOMER ADOPTION OF BANKING TECHNOLOGY IN PRIVATE BANKS OF INDIA” This paper explores the perception of Indian customers towards the use of technologies with respect to such factors as convenience, privacy, security; ease of use, real time accessibility and accurate record of varied transaction that enable customer’s adoption of Banking Technology. Other factors such as slow transfer speed, technical failure, frauds and unawareness among customers that make hindrance in adoption, are also tested. The results show that demographic variables such as gender, age, qualification and income play a positive role in adoption of banking technology. All the banks are using information technology as a strategic vehicle to stay competitive against other players. There is no significant difference between adoption rates of banking technologies by the customers of different private banks. The paper also shows that banking technology helps in increasing customer satisfaction, customer loyalty, improvised growth, and performance of the banks.

Muhammed s. Alnsour & khalil al-hyari (2011)
In their research paper “Internet banking and Jordanian corporate customers: issues of security and trust”. This paper research on the reception behavior of technology is sizeable, yet it is relatively assorted and fragmented in the context of developing economies like Jordan. The paper tries to offer insights about two critical factors in acceptance behavior of Jordanian customers, namely, security and trust. This editorial puts together an integrated conceptual model for acceptance behavior of Jordanian Corporate customers that includes these two significant issues. Hypotheses are developed from present literature; these indicate possible associations among the
constructs of the model. Based on input received from 353 corporate customers, the proposed model is empirically tested using structural equation modeling. Of the hypothesized associations examined, five were found to be statistically momentous and in the right direction. The results confirm most of the findings of previous research on the subject, while some fresh insights on the interrelationships of the constructs used are also revealed. The results of the study have serious implications for bankers, corporate online users, and business educators, who may use the empirically tested model as a diagnostic and monitoring tool in explaining the acceptance behavior of Jordanian business users of online banking. This paper concludes that safekeeping and trust should be integrated to alleged usefulness and alleged ease of use in explaining acceptance behavior of corporate customers.

Syed Ali Raza and Nida Hanif (2011)
In their research paper “Factors Affecting Internet Banking Adoption Among Internal and External Customers: A Case Of Pakistan”. This study investigate the determinants which be a magnet for the customers to adopt internet banking in Pakistan by employing internal and external customers, on the sample size of 210 for internal and 151 for external respondents through using the examination research instrument survey. The assenting factor analysis with multiple regressions practice has been applied. The result of regression analysis shows that Perceived Usefulness (PU), Information of Internet Banking (INF), Perceived Risk (PR), Security and Privacy (SP) shows more influence to increase the purpose of external customers to adopt internet banking services while Government Support (GS) provide more sway for the internal customers in adoption of internet banking services. This study proves that external customers can be more give emphasis to, if they believe expedient in adopting the services. It is recommended that, bank should take some consideration to apply internet banking by delivering the information in an easiest way, provide more usefulness and benefits and also minimize the fraud as providing more security and solitude. This will helps the bank to increase their profit by dropping its cost, time saving and hold on to more potential users.
Dr. Renu Arora and Dr. Surabhi Singh (2011)
In their research paper “Service quality of online banking services in public, private and foreign banks in India” This paper present recent developments in information technology have led to major changes in service providing organizations such as banks. Every bank realizes that they must use information technology to survive in this era. Through information technology, banks can better maintain the relationship with customers as customers tend to interact more with provided services through information technology. The emergence of new technologies is enabling new competitors to enter the financial services market quickly and efficiently. Therefore, it becomes imperative for service providers to meet or exceed the target customers’ satisfaction with quality of services expected by them. This paper presents customers’ perception of quality of online banking services in terms of its constituent factors in public sector, private sector and foreign banks. A five point continuum scale was prepared for measuring customer satisfaction with the service quality of online banking services. The scale was prepared on the basis of five factors of service quality, i.e., tangibility, reliability, responsiveness, assurance and empathy. Mean scores were also calculated to find out mean difference between factors affecting service quality of banking services and three types of banks. Overall evaluation showed that private and foreign banks were performing better than the public sector banks with regard to five factors.

Elisha Menson AUTA (2010)
In his research paper “E-banking in developing economy: empirical evidence from Nigeria”. This paper empirically examines the impact of e-banking in Nigeria’s economy using Kaiser-Meyar-Olkin (KMO) approach and Barlett’s Test of Sphericity which supports the use of factor analysis in order to extract independent variables associated with e-banking. The paper explores the major factors responsible for internet banking based on respondents’ perception on various e-banking applications. It also provides a framework of the factors which are taken to assess the e-banking perception. Due to emergence of global economy, e-business has increasingly become a necessary component of business strategy and a strong catalyst for economic development. E-banking has become popular because of its convenience and flexibility, and also transaction related benefits like speed, efficiency, accessibility, etc. The results of this study show that e-banking serves several advantages to
Nigerian banking sector. The customers (respondents) perception is that e-banking provides convenience and flexible advantages. It also provides transaction related benefits like easy transfer, speedy transaction, less cost and time saving. However, the study shows that the Nigerian customers have security, access, and no enough knowledge regarding e-banking services rendering by banking sector in Nigeria. The study suggest that critical infrastructure like power and telecommunication should be provided and with high level of stability to ensure the application of e-banking in Nigeria. Also, the relative skewed nature of banks location mostly in urban area should be addressed to ensure spread and accessibility by rural dwellers.

Kubasu Alex (November 2010)

In his research titled on “FACTORS AFFECTING THE ADOPTION OF TECHNOLOGICAL INNOVATION BY COMMERCIAL BANKS IN KENYA“
This paper study for focused on factors affecting diffusion and impact of internet banking. It was based on the theory that when a cost-saving innovation, such as internet banking, is initially introduced, large banks have an advantage to adopt it first and enjoy further growth in size. Over time, due to environmental changes (demand change, technology progress and banking deregulation); the innovation diffuses into smaller banks. As a result, the aggregate bank size distribution increases stochastically towards a new steady state, and there exists important interactions between the IB adoption and the average bank size. In 2006, 96 percent of banks with assets over Kshs 24 billion had a website, compared to only 51 percent with assets under Kshs 8 billion. These observations raise an important question: what explains these variations in adoption of IB. To answer the research questions, an empirical study of banks adopting technological innovation was conducted. The study applied a descriptive survey design. A structured questionnaire was administered to all financial managers in all 46 commercial banks with a response rate of 70%. The SPSS was used to run simultaneous-equation regressions on data. Factors driving adoption of IB include increase average bank assets, non adopters imitating early adopters and loan specialization in consumer lending. Factors hindering IB adoption include competition among banks and average age of a bank. The study recommends to enhance IB adoption, banks should; strive to increase their average assets size, non adopters to carefully study early adopters, specialize in consumer lending, feed off
competition by forming strategic alliances finally it’s cheaper and convenient for new
banks to install internet banking technology in a package with other computer
facilities compared to old banks. The study is important because banks have been
blamed for not adequately satisfying demand for financial services. The research
contributes to the debate on how to enhance access to financial services in Kenya

Mary Waithira Maitha (2010)

In his research titled on “The Effects Of E-Banking in Commercial Banks in Kenya in
Promoting International Business” The essential role of banks in international and
national economies is to is to connect those who have capital (such as investors or
depositors), with those who seek capital (such as individuals wanting a loan, or
businesses wanting to grow) which is the general definition of banking (Macesich
(2000)). Banks are a fundamental component of the financial system, and are also
active players in the financial markets. With continuing technological innovation and
competition among existing banking organizations and new market entrants has
allowed for a much wider array of electronic banking products and services for retail
and corporate banking customers. Hence the introduction of E-Banking services
which include telephone banking, online banking, SMS Banking, Mobile Banking and
Interactive TV- Banking. From the research project the Banks that were offering E-
Banking Services only offered limited E-Banking services. The main benefits were
also captured which included cost savings, reaching new segments of the population,
efficiency, better customer service and satisfaction. Basing on these facts the study’s
main objectives was to identify effects of E-banking services on the commercial
banks in Kenya on promoting international business while establishing how its
adverse effects are mitigated.

Xina Yuan, HyungSeok Lee and Sang Yong Kim (2010)

In their research titled on “Present and Future of Internet Banking in China “, tried to
find out several objectives. First, it illustrates the history and explosive growth of
Internet banking services in China. In general, the development of Internet banking
services is still in its nascent stages in China, with a considerable quantity of potential
customers. Second, we discuss the characteristics of Internet banking in China. We
have determined that Chinese Internet banking transactions tend to be comparatively
business-related, and that current Internet banking users skew young, highly-educated, and wealthy. Additionally, there is a regional difference in adopting Internet banking. Third, this study discusses the potential market for Internet banking services in China, and three factors that may influence the development of Chinese Internet banking. Finally, we propose two marketing suggestions regarding the expansion of the Chinese Internet banking market.

Hernan E. Riquelme & Khalid A. Mekkaoui (2009)
In their research titled on “Internet Banking Customer Satisfaction and Online Service Attributes”. The purpose of the study was to (a) identify which customer service and online attributes predict overall satisfaction, (b) to determine if satisfied customers use more online banking features than less satisfied customers and (c) to identify characteristics of less satisfied customers. The sample was drawn from one of the main banks in Kuwait, the Middle East. Multiple regression and discriminate analyses were used to analyze the data. The findings suggest that satisfaction can be generated through improving courtesy, content, timeliness and product and services offered. The latter being the most important factor in driving internet banking satisfaction. The findings suggest that the majority of the customers in the sample are satisfied or very satisfied with the service and online systems attributes. The investigation does not support previous findings that more satisfied customers tend to use more product and services or that using internet banking for a longer period is associated with higher levels of satisfaction. It appears that companies that offer a wide product portfolio and relevant website content accompanied by prompt and courteous response create satisfaction online.

John O. S Wilson, Barbara Casu, Claudia Girardone &Philip Molyneux (2009)
In their research paper “Emerging Themes in Banking: Recent Literature and Directions for Future Research”. This paper presents a review of the recent literature in banking around the core themes of performance, risk and governance of financial institutions. We write this review against the backdrop of the recent financial crisis and the major changes it caused to banking sectors in many countries. There are several themes emerging from this review, but the overarching issue relates to the need to better understand bank risk taking incentives and the implications for systemic
stability. There is a need for more work on the role of safety net subsidies and how these are linked to systemic risk; financial innovation and the adoption of new products and processes and the linkage to risk-taking, market returns or contagion. There is also a need to better understand the relationship between competition and risk, and understand the interconnections between capital, profitability, liquidity and risk.

**Rita E. Ochuko, Andrea J. Cullen, Daniel Neagu (2009)**

In their research paper “Overview of Factors for Internet Banking espousal”. The study presents the major factors for Internet banking embracing and compares the levels of adoption transversely countries, in order to make out more easily what factors to consider most while only if banking services over the Internet. Based on preceding studies, web security, Internet usage, economy status, high branch concentration, competition, government prioritization regulations, and literacy level were acknowledged as the major factors affecting Internet banking adoption. This study uses fuzzy inference systems (FIS) to define the adoption rate. Our experimental results show that sanctuary is the most important factor because no matter how high government prioritization, literacy level, Internet users, and antagonism among Internet service providers are, as long as there are low security levels, the adoption rate will be at the lowest level. We terminate that, overall, the banks-specific factors are the main drivers for Internet banking adoption.

**Rajesh Kumar Srivastava (2007)**

In his research paper “Customer’s perception on usage of internet banking” This paper present to Internet banking is still at infancy stage in the world. Many studies focused on usage of internet banking but many factors on non-usage were overlooked. This research was carried out to validate the conceptual model of internet banking. The causes were identified and researched through correcting the causative factors so that internet banking can bused by more people. This will help the banking operations to be more cost effective. The research is focused on what are the customer’s perceptions about internet banking and what are the drivers that drive consumers. How consumers have accepted internet banking and how to improve the usage rate were the focus of research area in this study. Qualitative exploratory research using questionnaire was applied. 500 respondents were selected for study after initial
screening. They were all bank customers. The study revealed that education, gender, income plays an important role in usage of internet banking. Not much researches been done on these areas as they were focused more on the acceptance of technology rather than on people. The research corroborated the conceptual framework stating that if skills can be upgraded there will be greater will tousle internet banking by consumers. Inhibitory factors like trust, gender, education, culture, religion, security, and price can have minimal effect on consumer mindset towards internet banking.

**Pete Babick (1992)**

In his research titled “Customer Satisfaction-How good is good enough” tried to find out the importance of customer satisfaction in terms of market share and profitability. The research concluded that customer satisfaction has a direct and linear relationship with profits. More the satisfaction, higher will be the profits for the service companies.