SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

7.1 BACKGROUND OF THE STUDY

The challenging business process in the financial services pressurized banks to introduce alternate delivery channel to attract customers and improve customers’ perception. Many banks have implemented Internet banking to offer their customers a variety of online services with more convenience for accessing information and making transactions. Customer satisfaction and customer retention are increasingly developing into key success factors in e-banking. E-banking is a generic term for delivery of banking services and products through electronic channels, such as the telephone, the internet, the cell phone, etc. The concept and scope of e-banking is still evolving. It facilitates an effective payment and accounting system thereby enhancing the speed of delivery of banking services considerably. While E-banking has improved efficiency and convenience, it has also posed several challenges to the regulators and supervisors. Several initiatives taken by the government of India, as well as the Reserve Bank of India (RBI), have facilitated the development of E-banking in India. The six primary drivers of E-banking includes, Improve customer access, Facilitate the offering of more services, Increase customer loyalty, Attract new customers, Provide services offered by competitors, Reduce customer attrition etc.

This study provides an overview of the issues resulting from the development of e-banking, to describe the current state of e-banking in India. Also, various psychological and behavioral issues such as trust, security of internet transactions, reluctance to change, various level of satisfaction such as service oriented, technology oriented, technology oriented etc, expectations of the clients and bankers regarding e-banking technology and preference for
human interface which appear to impede the growth of e-banking with special reference to commercial banks operating in India; The objectives of the study are,

1. To know the products and services offered by the normal banking.
2. To study the developments in banking sector.
3. To examine the legal framework of e-banking services.
4. To analyze the e-banking practices of the respondent banks chosen for the study.
5. To ascertain the extent of satisfaction level on e-banking by customers.
6. To identify the expectations of customers on e-services and to offer concrete suggestions to the respondent banks for providing improved services to them.

The present study is an attempt to examine the performance of banks in terms of providing banking products and services through their websites. The study is descriptive and empirical one based on sample survey. First hand data have been collected from the respondent banks through a well structured interview schedule. The opinions of the clients of the respondent banks were collected by means of a questionnaire for the study. Sufficient care has been taken to select the sample of respondents. For this purpose, simple random sampling was used to select the respondents.

The universe of the study consists of all scheduled commercial banks operating in India. There are 293 scheduled commercial banks operating in India as on 31st Dec 2009. These comprises of 30 Private, 27 Public and 40 Foreign banks and 196 regional rural banks. For the purpose of the analysis-I, sample of “97 banks” were considered out of which 30 Private, 27 Public and 40 Foreign banks. The sample consists of 33% of the universe. For the purpose of the analysis-II, sample of “412 clients” were considered out of which 132 Private, 120 Public and 160
Foreign banks clients. The data collected were systematically tabulated, analyzed, interpreted and presented in this report. Statistical tools viz. Percentage analysis, Chi-square test, ‘t’-test, ANOVA followed by Duncan Multiply Range Test (DMRT), Correlation of co-efficient analysis, Discriminant analysis were used for testing the hypotheses for arriving at appropriate conclusion.

7.2 FINDINGS OF THE STUDY

A capsule of the findings of the study are furnished in the following paragraphs.

7.2.1 BANKERS PERSPECTIVE – Descriptive analysis

A significant number of the respondent banks (41%) opined from Foreign banks while 31% of the respondent banks from Private banks and 28% of them from Public banks.

The study unfolded that all the respondent banks have expressed that core banking facility is available in their respective banks. It shows all the banks are having core banking facility.

A significant number of the respondent banks constituting 42.27% opined as the customers do banking transactions through e-deliver channels 6-10 times. Further, 32.99% of respondent banks opined that above 10 times and 24.74% of respondent banks opined that 1-5 times. It can be therefore inferred that most of them are doing their banking transactions through e-delivery channels.

A significant number of respondent banks (45) constituting 46.39% felt very much comfortable with the idea of electronic banking channels, while 23.71% and 17.52% respondent banks perceive uncomfortable and very much uncomfortable. Hence it is vivid that the very much comfortable feeling is in the minds of respondent banks with the idea of e-banking channels.
A majority respondent banks (36) constituting 37.11% felt very much secure with their financial information available in net. While respondent banks constituting 28.87 % felt that some what insecure, 9.28% of them felt very much insecure. It is therefore clear from the above analysis that a majority of them felt very much secure with their financial information available in e-deliver channels.

A substantial number of respondent banks constituting 60.83% opined that adoption of technology in banks have improved the service level of banks. While the respondent banks constituting 15.46% opined that technology has not improved the service level of banks, 23.71% of respondent banks were not sure about it. Just 15.46% of the respondent banks did not agree with the statement.

A fair majority of the respondent banks constituting 67% agreed that personal contact between banker and customer is necessary. Only 32.98% of them have stated that personal contact is not very much required between banker and customer.

It is observed that a significant majority 73.19% of respondent banks opined that e-channels will completely replace branches.

A vast majority 72.16% of the respondent banks opined that the customers have not changed their bank transaction from present bank to other bank during the last 5 years. However, the remaining 27.84% respondent banks opined that the customers have shifted their bank transaction from present bank to other bank during the last five years.

A significant number of the respondent banks (32.98%) stated that reasons for shifting banks from present bank to other bank due to dissatisfaction on general service level rendered by previous bank. 19.58% respondent banks opined that change of transaction to other bank was inevitable since the customers could not avail IT based services with previous bank. Further
7.22% of them have switched over to other banks when the previous banker failed to concede specific request for a service made by the customers.

The Mean Rank that e-banking option helps the banks to provides faster, easier and more reliable services to the clients and reduce operating and administrative cost of bank’s. The other major benefits through e-banking option is to improve competitive position of bank’s in the market also it reduces the cost and saves the time of clients.

A significant number of respondent banks expressed that utilization of Net banking facility lies between 31% & above(58.76%) from the whole population. Further the utilization of net banking facility by customers falls 21%-30%(29.9%) and 10%-20% and above(11.34%).

A vivid majority of respondent banks felt that utilization of mobile banking facility lies between 21%-30%(44.35%) from the whole population. Further the utilization of mobile banking facility by customers falls 10%-20%(34.02%) and 31% and above(21.65%).

A majority of respondent banks felt that 60.82% (21%-30%) of them utilize the ATM banking facility well. Further 26.80%(10%-20%) and 12.37%(31% & above) of them utilize the ATM facility from their respective banks.

A significant number of the respondent banks constituting 67.01% opined that V-SAT technology is implemented in their banks. Further 15.46% of the respondent banks opined BROADBAND technology is applied in their banks.

This study disclosed that while 81.44% of respondent banks update their software every week for virus protection, 14.43% of respondent banks update the software every month. Interestingly, 4.12% of respondent banks update the software everyday.

A telling finding of the study is that the entire respondent banks have made a provision to safeguard their system from hackers legally.
The study unfolded that all the respondent banks unanimously contended that their respective board of banks have knowledge about the risk involved in e-banking.

A majority of the respondent banks (79) constituting 81.44% felt that Transaction risk is the main affecting factor while performing e-banking. Further 12.37% of them that Compliance risk and just 6.19% of them felt Strategic risk.

The study disclosed that all the respondent banks unanimously expressed that there is no computer related crime encountered by their banks, so far.

The study disclosed that while 41.23% of respondent banks stated that future plans intended by to extend additional services to the customers. Further the study revealed that 40.20% of the respondent banks felt that future plans are meant for simplification of operating procedures, only 18.55% of the respondent banks stated that their future plans are meant for imparting training for their employees from Information Technology personnel.

It is observed that while 43.30% of the respondent banks opined that charges are levied on the customers for online brokerage services. However, the remaining 36.08% respondent banks opined that accessing key information through online service, 18.56% of them opined that Bill payment service and just 2.06% of them opined that creation of an account.

The study unfolded that all the respondent banks unanimously contended that their respective banks have written contract with bank network administrator.

A significant disclosure of the study is that the entire respondent banks have made legal counsel review on network administrator contract.

The study unfolded that all the respondent banks collectively contended that their respondent banks have not faced any problem with network administrator.
An interesting disclosure of the study is that the whole sample represented as a manager in a bank he is bestowed with the power to access the customers password for some administrative reasons incase of emergency.

The whole sample represented as the Information Technology personnel participation in legal and non-legal training programme is encouraged by all sector banks.

72.16% of the respondent banks were felt that they provide e-banking training to other officers and employees other than system administrator. Further, 27.84% of the respondents have not agreed with this statement. It seems e-banking training is not provided to other officers and employees other than system administrators.

A significant majority of the respondent banks (41) constituting 42.27% felt that customer service cell is very much required by banks. Further, 21.65% of them opined for customers grievances, 20.62% of them opined for customer expectations and 15.46% of them opined for customer education.

A simple majority of the respondent banks (29) constituting 30% expressed that e-banking is aimed to attract more new customers. Further the study revealed that 25.77% of the respondent banks felt that e-banking is provided to retain the existing customers, 21.65% of the respondents opined that e-banking is convenient to the customers, 16.49% of the respondents opined that e-banking is intended to satisfy customers request promptly and only 6.19% of respondents expressed that e-banking may provided increased profits.

The study unfolded that while 39.18% of respondents expressed their opinion that quality of service is the reason for choosing present bank network connectivity, 38.14% of respondents felt that experience is the reason for choosing the present bank network connectivity. Further the study revealed that 14.43% of respondents expressed that Specialization is the reason
for choosing the present bank network connectivity. It is therefore evident from the above analysis that quality of service and experience are the main reasons for choosing bank network connectivity.

The analysis of survey data unfolded that about (3.96) respondent banks opined that in Public bank the main reason behind the change of transaction from present bank to other bank is “General service level of previous bank was not up to the expectations”. Further, in Private bank the respondent banks (3.67) opined that suggested that suggestion of a friend, customer, business partner etc” and in Foreign bank they (4.00) opined that Attracted by advertisements of present banker”.

7.2.2 BANKERS PERSPECTIVE – Inferential analysis

It is observed that the null hypothesis is rejected at 5 % level of significance as the P value is less than 0.05. Hence, there is a relationship between respondent banks and number of times a customer is connected by bank. In public bank, most of the respondents (44.4%) belong to above 10 times is connected by bank. In private bank most of the respondents (47%) connected by bank 6-10 times, also in foreign bank most of the respondents (58%) connected 6-10 times. In public bank, customers are connected by their bank more than 10 times per month where in private and foreign bank customers are connected by their respective banks 6-10 times only. It reflects public awareness is more about e-banking and they have faith on e-banking.

The study has brought to surface that the null hypothesis is rejected at 1% level of significance as the P value is less than 0.01. Hence, there is significant difference between respondent banks with respect to availability of financial information. Based on Duncan Multiple Range Test, foreign sector bank (3.30) significance with private (4.10) and public
(4.11) at 5% level of significance with regard to availability of financial information. So, foreign bank clients are having different opinion while comparing with other public and private bank clients regarding availability of financial information in net.

It is quite shocking that the null hypothesis is rejected at 1% level of significance as the P value is less than 0.05. Hence, there is significant difference between respondent banks with respect to introduction of technology in banks that has increased the service level of banks. Based on Duncan Multiple Range Test, public sector bank (4.41) significance with private (3.83) and foreign (3.48) at 5% level with respect to increased service level of banks due to introduction of technology. So, there is no significant difference between private and foreign banks introduction of technology in banks that has increased the service level of banks.

The study has brought to light that the null hypothesis is accepted at 5% level of significance as the P value is greater than 0.05. Hence, there is no significant difference between respondent banks with respect to personal contact between banker and customer is necessary. It is clear that all the respondent banks have same level of opinion as personal contact between banker and customer is necessary.

It is observed that the null hypothesis is rejected at 1% level of significance as the P value is less than 0.01. Hence, there is significant difference between respondent banks with respect to e-banking replaces the branches completely. Based on Duncan Multiple Range Test, private sector bank (3.13) significant with foreign (4.05) and public (4.04) at 5% level of financial information. But there is no significance difference between public and foreign banks with respect to e-banking that replace the branches completely.
The study revealed that the null hypothesis is rejected at 1% level of significance as P value is less than 0.01. Hence, there is a relationship between respondent banks and shifting of bank during the last 5 years. In public bank 56% of the respondents expressed as they have shifted their bank to other bank during the last 5 years. In private bank 83.3% of the respondents expressed as they have not shifted their bank to other bank during the last 5 years where remaining 16.7% of them agreed of their shift of bank during last 5 years. In Foreign bank 83% of the respondents expressed as they have not shifted their bank to other bank during the last 5 years. It shows majority of the respondents expressed their view as the private and foreign bank customers have not shifted their transactions during the last 5 years due to availability of sufficient and advanced facilities in their respective banks. Only the public bank respondents opined that they have shifted their transaction during the last 5 years due to lack of advancement in their respective bank.

The study has brought to limelight that the null hypothesis is rejected at 1% level of significance P value is less than 0.01. Hence, there is significant difference between respondent banks with respect to overall benefits of e-banking to the customers. Based on Duncan Multiple Range Test, public sector bank (21.19) significance with private (24.23) and foreign (23.48) at 5% level on benefits. So, there is no significant difference between private and foreign banks.

The study discloses that the null hypothesis is rejected at 1% level of significance as P value is less than 0.01. Hence, there is a relationship between respondent banks and customers utilization of mobile banking. In public bank 44.4% of the respondents expressed as they were utilizing mobile banking at 31% & above ratio. In private bank 60% of the respondents expressed as they are utilizing mobile banking at 21%-30% ratio. In Foreign bank 53% of the
respondents expressed as they are utilizing mobile banking at 21%-30% ratio. It shows majority of the respondents expressed their view as in all respondent banks the customers utilization of mobile banking option is same. All the customers were utilizing this facility at the maximum level.

The study depicts that the null hypothesis is rejected at 1% level of significance as P value is less than 0.01. Hence, there is a relationship between respondent banks and utilization of net banking. In public bank 59.3% of the respondents expressed as they were utilizing net banking at 31% above ratio. In private bank 53.3% of the respondents expressed as they were utilizing net banking at 31% above ratio. In Foreign bank 63% of the respondents expressed as they were utilizing net banking at 31% above ratio. It shows majority of the respondents expressed their view as they were utilizing net banking facility providing by their respective banks at the maximum level.

It is vivid that the null hypothesis is accepted at 5% level of significance as P value is greater than 0.05. Hence, there is no relationship between respondent banks and mode of connection to the bank network connectivity. In public bank 70.4% of the respondents told that V-SAT is the mode of connection to their bank network connectivity. In private bank 70% of the respondents told that again V-SAT is the mode of connection to their bank network connectivity. In Foreign bank 63% of the respondents told again V-SAT is the mode of connection to their bank network connectivity. All the banks were linked through V-SAT mode only, in which all the banks were having faith to protect their data from the hackers. Further they felt convenient to service their customers in quick and safe manner.
It portrays that the null hypothesis is accepted at 5% level of significance as P value is greater than 0.05. Hence, there is no relationship between respondent banks and future plans intended by respondent banks. In public bank 44.4% of the respondents felt that future plan to intend additional services for customers. In private bank 43.3% of the respondents felt that future plan to intend additional services as the same expressed by public bank respondents. In foreign bank 35% of the respondents felt that in future to intend innovative operative procedures. It is very clear that all the banks were planning to update their technology as per the trend.

The above table reveals that the null hypothesis is rejected at 1% level of significance as the P value is less than 0.01. Hence, there is relationship between respondent banks and reasons for choosing present bank network connectivity. In public bank 83% of the respondents opined that “experience in the field of network connectivity” is a reason for choosing present bank network connectivity for their respective banks. In private bank 58.2% of the respondents opined that “quality of service” is a reason for choosing present bank network connectivity. In Foreign bank 49% of the respondents opined that “quality of service” is a reason for choosing present bank network connectivity for their respective banks. It displays in private and foreign banks quality of service is a reason for choosing present bank network connectivity. But in public bank experience of bank network connectivity in their respective field is a reason for choosing present bank network connectivity.
7.2.3 CLIENTS PERSPECTIVE – Descriptive analysis

A good number of respondents (140) constituting 34% belong to 25-35, while the respondents (45) in the age group of above 45 are just 11%. It shows e-banking attracted the middle level age group (25-35) very much, where the above 45 age group respondents were not as much middle level.

A majority of the respondents belong to Male than Female as there are 289 male and 123 female constituting 70.1% and 29.9% respectively. It shows e-banking concepts are mostly utilizing by Male respondents only.

A vast majority of respondents (152) constituting 37% are professionals while 109 respondents representing 27% are employed and 107 respondents representing 26% are students. Only 44 respondents constituting 11% are from others category. It shows e-banking attracted the Professionals very much.

A vivid majority of the respondents (131) constituting 32% are from Software/IT industry while 27% are from Banking industry (109) constituting 27%. Only 45 respondents constituting 11% from other industry. It shows e-banking attracted the Software/Information Technology industry professionals very much.

A significant number of respondents (170) constituting 41.3% are graduates, while 120 professionals representing 29% are professionals. Only 50 respondents constituting 12% are others. It shows e-banking concept has reached all the graduates and professionals.

A good majority of respondents (161) constituting 39% have 20,000–30,000 monthly income, while 115 respondents constituting 28% have 10,000–20,000 monthly income. Only 50 respondents constituting 12% have below 10,000 monthly income. It shows 20,000-30,000 income level respondents are using this e-banking concept very much. It is observed that above
30,000 income level and below 10,000 respondents have not shown interest to use e-banking facility available in their respective banks. It shows that they are uncomfortable with e-banking concept.

A good majority 52% of respondents opined that they surf the net daily. Further, 29% of respondents opined that weekly once they surf the net and 8% of the respondents opined that they surf the net occasionally. It unfolds that majority of them are aware about the internet options, since they utilize that facility daily.

A fair majority of the respondents (226) constituting 55% opined that the type of internet connection using by them is Broadband, while 25% of the respondents opined that they use Lease line. Only 10% of the respondents using Dial-up. It shows Broadband is the mostly using internet connection to enter in web world by the respondents, in which they feel convenient.

An overwhelming majority of the respondents (178) opined that 43% of them are utilizing internet to send e-mail only while 137 respondents are mostly using internet for e-banking purpose (33%). At the same time 35% of the respondents are frequently using internet for e-banking purpose while 38% of the respondents are using internet for information searching and email frequently. It shows that e-banking concept has reached the knowledge of respondents. They are spending time for e-banking while they spend for other purposes viz. information searching, chatting, e-mail etc.

Most of the respondents (39%) opined from Foreign banks while 32% of the respondents from Private banks and 29% of them from Public banks.

A majority of the respondents (334) constituting 81% accepted that they have transactions with multiple banks, while 19% of the respondents opined that they don’t have
transactions in multiple banks. It is clear from the foregoing analysis that a significant majority of the respondents have transactions in multiple banks for various personal reasons.

A significant disclosure of the study is that the entire respondents expressed that their prime banks have core banking/anywhere banking facility. It shows, all the banks have such a technology with updated options.

41.3% of the respondents agreed that they daily devote their time for e-banking while 28.4% of the respondents devote four times per week. However, 11.7% of the respondents devote once in a week and 8.4% of them spend once in a month. It reveals that the respondents are well aware about e-banking since most of them devote time for e-banking daily.

Respondents (131) constituting 32% have stated that some what comfortable with e-banking concept. About 27% of the respondents stated that not sure about the comfortableness on e-banking. Just 2% of the respondents stated that very much uncomfortable on e-banking. It discloses that the end users are hesitating to accept e-banking concept fully due to some minor problem.

Respondents constituting 32% opined that they felt very much secure. Further, 28% of the respondents opined that they felt some what secure and 24% of them opined that they are not sure about the security of financial information available in net. Only 1% of the respondents opined that they felt very much insecure. It shows that most of them are confident about the security of financial information available in net.

Respondents constituting 37.6% opined that they felt very much true information technology has increased the gap between bank and the client. While respondents constituting 28% felt somewhat true about the statement information technology has increased the gap between bank and the client. It shows the respondents are confident to agree the statement as
information technology has increased the gap between bank and the client. Just 2% of the respondents only opined as very much untrue.

A significant majority of respondents constituting 63.8% opined that the concepts of technology in banks have improved the service level of banks. While respondents constituting 23% felt they are not sure about that technology has improved the service level of banks and just 13.4% of the respondents opined that the technology has not improved the service level of banks. It is therefore clear from the above analysis that a majority of the respondents felt that technology has improved the service level of banks.

A fair majority of respondents (80%) of the respondents felt that personal contact between banker and client is necessary. Only 2% of the respondents opined that no need of personal contact between banker and client. Hence, it is vivid from the aforementioned analysis that a majority of the respondents felt that personal contact between banker and client is necessary to improve the satisfaction level of clients.

A vast majority 80.8% of respondents opined that e-channels will completely replace branches. While 18% of the respondents opined that they are not sure about e-channels replace branches, only 2% of them frankly felt that e-channels could not replace branches. It shows that majority of respondents perceived that e-channels will replace branches, in due course of time.

A vast majority of the respondents (311) constituting 75.5% opined that they have not shifted their transaction during the last five years. Only 24.5% of the respondents (101) opined that they have shifted their transaction from previous to present during the last five years due to their personal reasons.

A fair majority of respondents constituting 86.9% agreed that e-banking provide faster, easier and reliable services to the clients. Further respondents constituting 81.06 % agreed that e-
banking reduce the cost & saves the time of clients. It is therefore clear from the above analysis that a majority of the respondents felt that e-banking offers lot of benefits to the clients such as provide faster, easier and reliable services also reduce the cost and saves the time of clients.

Majority of the respondents opined that their respective banks have been offering all the technology based service as listed above. Only 17.48% of the respondents opined that they don’t have ATM banking service, 19.66% of the respondents opined that they don’t have mobile banking service, 26.94% of the respondents expressed as their banks don’t have investment advisory service and 29.37% of them expressed that they don’t have Multi-city cheques service from their bank. When the required service is not available, obviously clients are moving to other banks which have such a value added service. So, the banks shall update their technology not only to attract new clients but also to retain the existing clients.

A fair majority of the respondents felt that all their respective banks rendered require services such as salary credit, savings account, current account, fixed deposits, sate deposit locker, demand drafts, funds transfer, bills payment, housing loans, car loans, two-wheeler loans, personal loans, business loans, term loans and mortgage loans for their clients. Only few respondents are opined that they were not able to get the require services from their present bank. It is therefore evident from the above analysis that the banks must update their technology properly.

Majority of the respondents felt that services rendered by other banks are such as salary credit, savings account, current account, fixed deposits, sate deposit locker, demand drafts, funds transfer, bills payment, housing loans, car loans, two-wheeler loans, personal loans, business loans, term loans and mortgage loans for their clients. Only few respondents are opined that they were not able to get the require services from other bank. In this analysis only 334 respondents
taken from 412 samples, since they have multiple transactions with other banks. In this analysis more than 75% of respondents were responded positively. It shows that the respondents get their expected services from other banks.

Majority of the respondents in employee level satisfaction constituting 66.99% felt that staff’s knowledge, in service level satisfaction constituting 64.57% felt that personal attention and in technology level satisfaction all options they felt neutral and satisfaction. But a significant number of respondents opined that in certain services viz. clear communication between bank and customer, good complaint handling, no breakdown of machines/services, Prompt response to customer requests in service level satisfaction and easy connectivity, error free ATM and mobile banking, the banks have to upgrade their technology to satisfy their clients.

A majority of the respondents (201) constituting 48.79% have opined that demos and clear-cut instructions are needed from the banks to regulate e-banking properly. While 48.3% of respondents opined that government should promote e-bank through proper media, 41.26% of respondents opined that government should tighten rules and regulations to avoid e-frauds and 34.47% of respondents opined that banks can increase the services to increase the clients’ access. It shows that government should take necessary action to control e-frauds and banks should activate a few awareness programmes for the public to increase their awareness about e-banking.
7.2.4 CLIENTS PERSPECTIVE – Inferential analysis

The null hypothesis is rejected at 1% level of significance as the P value is less than 0.01 with respect to employee, technology and overall satisfaction. Hence, there is significant difference between male and female with respect to the dimensions of employee, technology and overall satisfaction. But, the null hypothesis is accepted at 5% level of significance as the P value is greater than 0.05 in service level. Hence, there is no difference between male and female with respect to dimensions of satisfaction level on banks in service level. It shows, except service level all other levels viz. employee, technology; overall the sex (gender) category affects the satisfaction level of banks.

The null hypothesis is rejected at 1% level of significance as the P value is less than 0.01 with respect to all the dimensions of satisfaction. Hence, there is significant difference between sector of bank with respect to all dimensions of satisfaction level on banks. Based on DMRT at employee level public, private & foreign banks satisfaction is not same. In every sector satisfaction in employee level is different. Likewise other levels viz. service, technology overall also not having similar satisfaction. It is therefore clear that satisfaction level is differing on the basis of sector of banks. The respondents are not having similar taste in terms of satisfaction on their respective banks.

The null hypothesis is rejected at 1% level of significance as the P value is less than 0.01 with respected to Employee, Technology and overall satisfaction. Hence, there is significant difference between sector of bank with respect to Employee, Technology and overall satisfaction. Also, the null hypothesis is rejected at 5% level of significance as the P value is less than 0.05 with regard to Service level of satisfaction. Hence, there is significance difference
between sector of bank with respect to service level of satisfaction. It shows, age group is also not a factor for the respondents to get satisfaction in various levels since, there is a different of opinion about satisfaction with various sector of banks.

The null hypothesis is rejected at 1% level of significance as the P value is less than 0.01 with respect to employee satisfaction. Hence, there is significance difference between occupation with respect to Employee satisfaction. Then, the null hypothesis is rejected at 5% level of significance as the P value is less than 0.05 there is significance difference between occupation with respect to Technology satisfaction. Hence, there is significant difference between occupation with respect to Technology satisfaction. Also, P value is greater than 0.05, Service and overall satisfaction is not significance. It is clear that occupation level is not affecting employee and technology level of satisfaction while it is affecting service and overall satisfaction of respondents.

The null hypothesis is rejected at 1% level of significance as the P value is less than 0.01 with respect to Employee, Technology & overall satisfaction. Hence, there is significance difference between profession with respect to Employee Technology & overall satisfaction. Based on DMRT, in Employee satisfaction is not matching with all the sectors viz. insurance, banking, software/IT, education & others. Education and other professions are having different of opinion. It shows in this two professions (Education & other) Employee satisfaction is not same.
Based on DMRT, in Service satisfaction is not matching with all the sectors viz. insurance, banking, software/IT, education & others. Education and other professions are having different of opinion. It shows in this two professions (Education & other) Service satisfaction is not same. Based on DMRT, in Technology satisfaction is not matching with all the sectors viz. insurance, banking, software/IT, education & others. Banking and Education professions are having different of opinion. It shows in this two professions (Banking & Education) Technology satisfaction is not same. Based on DMRT, in overall satisfaction is not matching with all the sectors viz. insurance, banking, software/IT, education & others. Education and other professions are having different of opinion. It shows in this two professions (Education & other) overall satisfaction is not same.

But, the null hypothesis is rejected at 5% level of significance as the P value is less than 0.05 with regard to Service satisfaction. Hence, there is significant difference between profession with respect to Service satisfaction. It shows, the respondents satisfaction in terms of Employee, Service Technology is not depending profession of respondents. Also the overall satisfaction is not depending profession of employees.

The null hypothesis is accepted at 5% level of significance as the P value is greater than 0.05 with respect to Employee, Service, Technology and overall satisfaction. So, there is no significant difference between Educational qualification with respect to dimensions of satisfaction level on banks. It shows, educational qualification is affecting the employee, service, technology and overall satisfaction of respondents very much.
It has brought to sharp focus that the null hypothesis is rejected at 1% level of significance as the P value is less than 0.01 with respect to Employee, Technology and Overall satisfaction. Hence, there is significant difference between Income level of respondents with respect to Employee, Technology and overall satisfaction.

Based on DMRT, in Employee satisfaction is not same in all level of respondents. 20,000 – 30,000 level of respondents are not have similar satisfaction as other levels viz. below 10,000, 10,000-20,000 & above 30,000. It shows, 20,000 – 30,000 income level respondents are having different of opinion about employee satisfaction while comparing with other income level of respondents. Based on DMRT, in Technology and overall satisfaction is not same in 20,000 – 30,000 level of respondents and above 30,000 income level of respondents. Both are not have similar satisfaction as other levels. It shows, 20,000 – 30,000 & above 30,000 income level respondents are having different of opinion about Technology and overall satisfaction while comparing with other income level of respondents.

As P value is greater than the value of 0.05, service satisfaction is not significant with income level of respondents. It shows that service satisfaction is not depending income level of respondents, where Employee, Technology and Overall satisfaction depend upon the income level of respondents.

The Correlation of Co-efficient between Employee and Service satisfaction is 0.579, which indicate nearly 58% positive relationship between Employee and Service satisfaction and is significant at 1% level. The correlation of co-efficient between Employee and Technology satisfaction is 0.608, which indicate nearly 61% positive relationship between Employee and
Technology satisfaction and is significant at 1% level. The correlation of co-efficient between Service and Technology satisfaction is 0.706, which indicate nearly 71% positive relationship between Service and Technology satisfaction and is significant at 1% level. The dimensions of satisfaction of the respondents are interrelated. Employee satisfaction affects service satisfaction of respondents like wise technology satisfaction affects the employee level satisfaction of respondents. So, all are inter dependent factors.

The classification table shows the practical results of using the discriminant model. Of the cases used to create the model, 110 of the 120 public sectors bank customer (91.7%) are classified correctly. 93 of the 132 private sector bank customers (70.5%) are classified correctly. 93 of the 160 foreign sector bank customers (58.1%) are classified correctly. Overall, 71.8% of the cases are classified correctly based on their quality of services. It shows, all the calculations made in this chapter has been analyzed properly.

7.3 SUGGESTIONS

Here are a few suggestions as to how this bridge can be built and increase the adoption of E-banking in the Indian client psyche:

- The lack of human interaction when sourcing financial services over the internet should be removed and more interactivity should be brought into the service. The customer shouldn’t feel the difference between a regular branch banking interaction and the e-banking interaction.
In fact the client should be made to realize how the new technology would be enabling him to be more clear and convenient than the branch banking approach. This having been done, there is a lot of scope for the client to accept the new technology (e-banking).

Pricing concerns like the cost of buying a PC, having an Internet connection should be minimized. One option is to use the Hole-in-the-wall concept where each of the ATM’s will be modified to be used like computers. This would not only reduce the cost of installation to the client but also increase the chances of usage as the acceptability is now paired with the ATM technology which has already achieved the popularity and matured as a part of the banking system. Even in the case of clients owning the technology and the facility, the need to realize the uses of the interaction is important. This may be accompanied with an incentive which might be a motivator for the usage of the technology.

The need to shift towards e-banking is not felt among employees of the banks and hence there is no need to push the customers to use it. Most of the employees in the banks are themselves not aware as to what e-banking is and how to use it. They don’t realize the need to push the same to the customers.

There is a clear need for the banks to educate and enable the employees to use it. Only when the employees become technology users, it will be possible for them to be advocates of e-banking.
Increased client role in the service delivery is another solution as here the client initiates the interaction and a stick with it to get what he wants to do. The interaction is more meaningful and is centered around the client. Like the IVR penetration and acceptability, technology is accepted faster when the client gets to choose more and gets told less.

The same applies to e-banking, which provides more interactivity, involves the client in the designing process, asks for feedback, gets back with the revert, makes customized features, provides personalization and encourages customer participation in the process. The customer is more comfortable when he is involved in the process right from the inception phase of the technology. Banks need to realize this and encourage more participation by conducting camps to educate and take feedback in all cities and start e-banking drives.

The customers have unique wants and needs, and if they are not given the offers they want, they are likely to switch to another bank. Therefore, if the retail banks want loyal customers, they have to adapt and customize their offerings. This may be done at the bank branches when the customers interact face-to-face with their advisors, but it is also possible by e-banking and at significantly lower costs. Only when the ownership is moved to the client, at least partly, will it be thrust upon them to move online.

Although e-banking provides flexibility in performing financial transaction, fast and easy, however individuals are still reluctant to adopt the system because of several reasons. First, the security and privacy are two elements in the perceived risk. Without a proper knowledge of the system, individuals are not interested to test the system.
- Perceived usefulness, ease of use and client awareness has positive impact on the intention to adopt e-banking while perceived risk has negative impact on it. When online banking is perceived as useful, customer’s intention to adopt it would be greater. Likewise bank customers are likely to adopt e-banking when it is easy to use. This shows that bank customers anchor their online banking adoption intention to the beneficial outcomes and ease of use process of the system.

- The bank has asked for its main page to be updated more timely and formatted in a manner of more user friendly. A more persuasive promotion of the e-banking should be conducted more regularly.

- A company-wide training and customer service for e-banking initiatives should be implemented. The bank should integrate more services into e-banking operations and search the areas where e-banking operations could further cut its daily operating cost.

- The bank should provide more useful links on its e-banking website to its business partners. The large ‘dead space’ of its current website should be used to add more eye-catching pictures to make it more appealing to clients surfing the net.

- Finally, the bank should consider to take over its website from its current online service provider and running it ‘in-house’, so that the bank could have total control of its website and be able to make necessary changes more quickly and effectively.
7.4 SCOPE FOR FURTHER RESEARCH

Information Technology has also provided banking industry with the wherewithal to deal with the challenges the new economy poses. Information technology has been the cornerstone of recent financial sector reforms aimed at increasing the speed and reliability of financial operations and of initiatives to strengthen the banking sector. It is information technology which enables banks in meeting such high expectations of the customers who are more demanding and are also more techno-savvy compared to their counterparts of the yester years. They demand instant, anytime and anywhere banking facilities.

IT has been providing solutions to banks to take care of their accounting and back office requirements. This has, however, now given way to large scale usage in services aimed at the customer of the banks. IT also facilitates the introduction of new delivery channels—in the form of Automated Teller Machines, Net Banking, Mobile Banking and the like. Further, IT deployment has assumed such high levels that it is no longer possible for banks to manage their IT implementations on a standalone basis with IT revolution, banks are increasingly interconnecting their computer systems not only across branches in a city but also to other geographic locations with high-speed network infrastructure, and setting up local area and wide area networks and connecting them to the Internet.

This is still scope to carryout research in the areas specified below:

- A study on online payment of taxes.
- Problems of commercial banks pertaining to e-banking practices.
- Technology in banking sector – challenges and opportunities.
7.5 CONCLUSION

This research explores the problems of e-banking adoption in India from Bankers perspective and Clients perspective. E-banking is going to be very crucial for India, registering increasing percentage of younger generation population with computer literacy. Since research on challenges in e-banking is still in its infancy and the relevant literature is scarce, the insight gained in this study may offer a foundation for future research on self-service technology and provide useful recommendations to the bankers for improving the e-banking services with the customer as the co-creator of value. E-banking or Mobile banking or any other technology that improves the interaction and reduces the cost while being efficient is a compulsion more than a show off. Banks should move to use it either willingly or by compulsion, either now or later to meet the competition or the client expectations. There is need to scan and analyze the market and respond to the needs of customers and to generate awareness regarding advantages of internet banking. In internet banking, any inquiry or transaction is processed online from anywhere and at any time.

Indian banks offering online services still have to go a long way compared to banks abroad. Management and employees should strive to find out what customers expect (in terms procedure handling, efficiency, accessibility, security and updated information about products and services) when designing strategies to enhance overall service quality. This implies that banks need to contemplate an extensive and continuous training program for its employees. To compete more efficiently and effectively in the marketplace, a banking institution is required to be sensitive to meet their customers’ expectations in the changing scenario.

“In future there can be no banking without E-banking.
It is indispensable for enhanced service to humanity”