Chapter 2

Research Methodology & Review of Literature
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2.1 Research Design: -

The present study is descriptive type and the nature of study is qualitative as well as quantitative. The sample information’s were collected from Bundelkhand region and KAVAL region of U.P.

A. Sample Design: -

This study is based on the following procedures-

1. **Universe:** - All the literate population has considered as the consumer of Electronic Money users as universe in Bundelkhand region, and for comparison, the total literate population as consumers of KAVAL region have selected as universe.

2. **Selection of Sampling Unit:** - In this study, the sampling survey was conducted in the Bundelkhand region of Uttar Pradesh and KAVAL region of Uttar Pradesh for the purpose of comparison. There are seven districts viz. Jhansi, Banda, Jalaun, Hamirpur,
Lalitpur, Chitrakut and Mahoba, which comes under the
Bundelkhand region and five districts i.e. Kanpur, Allahabad,
Varanasi, Agra, and Lucknow, which comes under the KAVAL
region. These are given in the following table-

Table 2.1 Bundelkhand and KAVAL Region of Study

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Bundelkhand Region</th>
<th>KAVAL Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jhansi</td>
<td>Kanpur</td>
</tr>
<tr>
<td>2</td>
<td>Banda</td>
<td>Allahabad</td>
</tr>
<tr>
<td>3</td>
<td>Jalaun</td>
<td>Varanasi</td>
</tr>
<tr>
<td>4</td>
<td>Hamirpur</td>
<td>Agra</td>
</tr>
<tr>
<td>5</td>
<td>Lalitpur</td>
<td>Lucknow</td>
</tr>
<tr>
<td>6</td>
<td>Chitrakut</td>
<td>---</td>
</tr>
<tr>
<td>7</td>
<td>Mahoba</td>
<td>---</td>
</tr>
</tbody>
</table>

3. **Sample Size**: - The overall sample size for the study is over 120
consumers in Bundelkhand region and 120 consumers in KAVAL
region. In Bundelkhand region the sample size is 0.25% of the
literate population while in KAVAL region 0.10% of the literate
population.

4. **Sampling Procedure**: - Non probability sampling methods has
been used in this study. Purposive sampling has been used to select
the regions while Quota sampling has been used to select the size
of sample in the specified regions to collect the primary data.
B. Selection of Districts in Bundelkhand Region: - As stated earlier there are seven districts in Bundelkhand region. Thus sample distribution in the Bundelkhand region has given in following table-

<table>
<thead>
<tr>
<th>Districts of Bundelkhand Region</th>
<th>Population</th>
<th>Rate of Literacy</th>
<th>Literate population</th>
<th>% of total literate population</th>
<th>Sample distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jhansi</td>
<td>17,46,714</td>
<td>66.69%</td>
<td>11,64,883</td>
<td>23.46%</td>
<td>28</td>
</tr>
<tr>
<td>Banda</td>
<td>15,00,253</td>
<td>54.84%</td>
<td>8,22,738</td>
<td>16.57%</td>
<td>20</td>
</tr>
<tr>
<td>Jalaun</td>
<td>14,55,859</td>
<td>66.14%</td>
<td>9,62,905</td>
<td>19.40%</td>
<td>23</td>
</tr>
<tr>
<td>Hamirpur</td>
<td>10,42,374</td>
<td>58.84%</td>
<td>6,13,332</td>
<td>12.35%</td>
<td>15</td>
</tr>
<tr>
<td>Lalitpur</td>
<td>9,77,477</td>
<td>49.93%</td>
<td>4,88,054</td>
<td>9.83%</td>
<td>12</td>
</tr>
<tr>
<td>Chitrakut</td>
<td>8,00,592</td>
<td>66.06%</td>
<td>5,28,871</td>
<td>10.65%</td>
<td>12</td>
</tr>
<tr>
<td>Mahoba</td>
<td>7,08,831</td>
<td>54.23%</td>
<td>3,84,399</td>
<td>7.74%</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>82,32,100</td>
<td>----</td>
<td>49,65,182</td>
<td>100%</td>
<td>120</td>
</tr>
</tbody>
</table>

Sources: Chronicle India-2007.

C. Selection of Districts in KAVAL Region: - Since there are five district in KAVAL region. Thus the distribution of the sample in KAVAL region is given in following table-
Table 2.3 Sample Distribution in KAVAL Region

<table>
<thead>
<tr>
<th>Districts of KAVAL Region</th>
<th>Population</th>
<th>Rate of Literacy</th>
<th>Literate population</th>
<th>% of literate population</th>
<th>Sample distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanpur</td>
<td>41,37,489</td>
<td>77.63%</td>
<td>32,11,932</td>
<td>24.10%</td>
<td>29</td>
</tr>
<tr>
<td>Allahabad</td>
<td>49,41,510</td>
<td>62.89%</td>
<td>31,07,715</td>
<td>23.30%</td>
<td>28</td>
</tr>
<tr>
<td>Varanasi</td>
<td>31,47,927</td>
<td>67.09%</td>
<td>21,11,944</td>
<td>15.84%</td>
<td>19</td>
</tr>
<tr>
<td>Agra</td>
<td>36,11,301</td>
<td>64.97%</td>
<td>23,46,262</td>
<td>17.60%</td>
<td>21</td>
</tr>
<tr>
<td>Lucknow</td>
<td>36,81,416</td>
<td>69.39%</td>
<td>25,54,534</td>
<td>19.16%</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>1,95,19,643</td>
<td>----</td>
<td>1,33,32,387</td>
<td>100%</td>
<td>120</td>
</tr>
</tbody>
</table>

Sources: Chronicle India-2007.

D. Testing the Equality of Means between Bundelkhand Region and KAVAL Region:

To verify the mean of the samples which has taken from the two different regions, we apply the Analysis of Variance. First we set up the null hypothesis that there is no difference between the mean of samples in Bundelkhand region and KAVAL region against the hypothesis that at least two means are not equal.
Table 2.4 Showing Calculations for ANOVA-

<table>
<thead>
<tr>
<th>Regions</th>
<th>Samples</th>
<th>Total $T_i$</th>
<th>Sample size $n_i$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bundelkhand regions</td>
<td>28 20 23 15 12 12 10</td>
<td>120=$T_1$</td>
<td>$n_1=7$</td>
</tr>
<tr>
<td>KAVAL regions</td>
<td>29 28 19 21 23 -- --</td>
<td>120=$T_2$</td>
<td>$n_2=5$</td>
</tr>
<tr>
<td><strong>Over all Totals</strong></td>
<td><strong>T=240</strong></td>
<td></td>
<td><strong>N=12</strong></td>
</tr>
</tbody>
</table>

1-Correction Factor = $T^2/N = (240)^2/12=4800$.
2-Sum of squares of all the twelve samples =5282.
3-Sum of $T_1^2/n_1+T_2^2/n_2=4937.1$
4-Total sum of square (TSS) = step2- step1=5282-4800=482.
5-Sum of square between the sample (BSS) = step3-step1=137.1
6-Sum of square within the sample (ESS) =TSS-BSS
   =482-137.1 =344.9

7-The total degree of freedom= 12-1=11.
   The degree of freedom for BSS=2-1=1.
   The degree of freedom For ESS=11-1=10.

Table 2.5 ANOVA-Table (one-way)

<table>
<thead>
<tr>
<th>Source of variation</th>
<th>Sum of squares</th>
<th>D.F.</th>
<th>Mean sum of squares</th>
<th>Calculated F-Ratio</th>
<th>Tabulated F-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between samples</td>
<td>137.1</td>
<td>1</td>
<td>137.1/1=137.1</td>
<td>$137.1/34.49=3.97$</td>
<td>$F_{1,10}(0.5)=4.96$</td>
</tr>
<tr>
<td>Error</td>
<td>344.9</td>
<td>10</td>
<td>344.9/10=34.49</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>482.0</td>
<td>11</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>
Since calculated value of F is less than the tabulated value, so we accept the null hypothesis at 5% level of significance and conclude that the samples have come from populations of the two regions having the same mean.

**E. Selection of Banks in Bundelkhand Region:** - In order to know the consumer behavior from the service provider's point of view, two large public sector banks and two large private sector banks have been considered in the study. State bank of India (SBI) and Punjab National Bank (PNB) are taken into consideration as public sector banks while Industrial Credit and Investment Corporation of India (ICICI) and Housing Development Finance Corporation (HDFC) are taken into consideration as private sector banks in Bundelkhand region. These banks have been chosen because they have a good market share and adopted technology.

**F. Methods of Collecting the Data:** -

In the present study, the data is collected through the following -

(a) The primary data is collected through questionnaire and surveys methods. The questions are closed ended. The questions are formed in such a manner as to elicit three types of information.

1. Identity information needs of the consumer.
2. Consumers background information such as age, sex, education, income, occupation and media by which the collected data are classified and analyzed.
3. Questions on the motivational factors of consumer behaviors revealing attitudes and opinions of the consumers.

(b) The relevant information regarding secondary data on the study area are gathered from the authentic secondary sources including books, research papers, journals, project report, state and central government publication and internet etc.

G. **Elements of Analysis: -**

In this study the collected data has been analyzed with the help of simple statistical tools like percentages, Pie charts, bar diagrams, Chi-square test, and Z-test.

H. **Period of the Study:** -

The period of study of this research work is confined to 2 years from the year January 2007 to December 2008. The year 2009 was chosen as the concluding year of the study period owing to non-availability of latest relevant data afterwards.

**REVIEW OF LITERATURE**

2.2 **Introduction:** -Human being is the most intelligent and powerful creation of nature. Man is only animal that can take advantage of knowledge which has been accumulated and preserved through centuries. Human knowledge passes through three phases i.e. preservation, transmission and advancement. This fact is of particular importance in research which operates as a continuous function of ever-closer
approximation to the truth. His consistent aspiration in search of knowledge makes possible progress in all areas of human endeavour. Acquiring knowledge is a continuous process and any gap in it could be filled by investigator research. Value addition to the existing level of knowledge could also be achieved through extension in research which has already undergone.

For any specific research project to occupy his place in the development of a discipline, the researcher must be thoroughly familiar with both previous theory and research. To assure this familiarity, every research project in the behavioral sciences, has as one of its early stage, a review of the theoretical and research literature.

Thus, Review of literature in any research work is essential to evolve an edifice of knowledge to ensure that his study would be an addition to this field. In this backdrop the following section aims at evaluation work done by other researcher on the subject.

2.2.1 Review of Literature on Consumer Behavior: -

Arora and Gaur, (2006)¹, in their study, came to conclusion that CRM is a business strategy to acquire and retain the most valuable customer relationship. The core concept behind marketing is the role of exchange. Exchange can take place between buyer and seller and is also not limited to money. It is just like as social interaction, which gives birth to the concept of relationship. Relationship between two parties continues as long as parties get benefits.
Banumathy and Kalaivani, (2006)\(^2\), in their study, came to conclusion that customer satisfaction is a scale to measure the creditability of the services provided by any organization. The survey gave an opportunity to get the feedback of the customers about the cell phone services offered by the service provider. The results of the surveys have created a good image for the services providers. Majority of the respondents have given a favourable opinion towards the services. The service provider need to bridge the gap between the services promised and the services offered. The over all customers attitude towards the services is that even though they are satisfied with the existing services, they expect more value added services from service providers.

Birch, (2002)\(^3\), examined that by shifting from traditional to digital economy, consumers are expecting a change in every aspect of life. Even businesses are not spaced out from this revolution. A company which used to buy raw material through various traditional channels is now directly transacting with the supplier by just a click of the mouse. Technology has changed the way of doing business and B2B marketplaces are playing an important role in this transformation. Executives are exploring the internet in different ways and putting their efforts to make internet an important medium of business.

Bagozzi R. P. and Dholkiya U., (1999)\(^4\), in their study, analyzed that goal plays an essential role in enriching the purposive behavior of consumers. They gave the out line of a conceptual framework for thinking about how goals emerge, influence decision making and guide consumer choice and action. Another purpose is to integrate classic ideas proposed by consumer
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researchers with emerging concepts and models proposed by cognitive psychologists, social psychologists, and other social scientist.

Chinnadurai and Kalpana, (2006)⁵, in their study, came to conclusion that as customers vary in age, income, educational level, mobility patterns, taste, etc it is necessary for the marketing manager to understand the behavior of consumer groups and develop products that can cater to their needs. This will help managers to have an advantage over competitors and make prediction to suit their preferences. It is found that the advertisements play a dominant role not only in influencing the customers, but also remain as leading tool. The study also revealed that sales promotion offer introduced by cellular companies have influenced the customers to purchase and avail cellular services.

Dull, (2002)⁶, examined that customer satisfaction with e-commerce in both B2B and B2C sectors is significantly low. Most organizations have failed to build strong online services to the customers. The study identifies the various market segments in both B2B and B2C sectors and brings guidance for marketplaces to build strong e-brands and companies need to develop basic marketing skills to deliver what customers really want. Market research could be used to uncover customer needs.

Gole and Agashe, (2004)⁷, in their study, came to conclusion that for most people the word relationship conveys a feeling of faith, understanding, and acquaintance. When companies start customer relationship management, they attempt to gain loyalty by implementing business process with the focus on the enhancing of relationship with their customers. Digital CRM is revolutionizing the customers’ centric marketing. E-CRM is very important today and it delivers profitable and sustainable revenue growth.
Garbarino and Johnson, (1999), in their study, came to conclusion that several theories of relationship marketing propose that customers vary in their relationships with a firm on a continuum from transactional to highly relational bonds. Few empirical studies have segmented the customer base of an organization into low and high relational groups to assess how evaluations vary for these groups. Using structural equation analysis, they analyze the relationships of satisfaction, trust, and commitment to component satisfaction attitudes and future intentions for the customers. For the low relational customers, overall satisfaction is the primary mediating construct between the component attitudes and future intentions. For the high relational customers, trust and commitment, rather than satisfaction, are the mediations between the component attitudes and future intentions.

Hugar and Vaz, (2008), in their study, concluded that customer orientation is the attitude of a concern towards its business and its emphasis on listening to customers with a view to maximize their satisfaction with the concern and its products. Such a concern aims at maximizing the long term satisfaction of customers even at the expense of losing immediate sale. With the opening of the financial sector, improved customer orientation will surely be an important factor in helping the Indian public sector banks to send to the global competition.

Hundal, (2008), examined that consumer is the pivot around which the entire business revolves and consumers differ in how they make purchase decisions, owing to variables type of family, income and occupation, status, etc. The consumers have a preference towards particular product
and are not ready to buy any other product available in the market. The preference will not change with the non-availability of the product which the consumer has decided to purchase.

Harnath and Subrahmanym, (2005)\textsuperscript{11}, analyzed that rising consumer affluence means consumers are willing to pay a little more for the convenience appearance, dependability, and prestige of better services. Consumer likes to purchase the better products and services. Amount of purchasing the products and services are also affected by consumers’ family size while natures of services are not affected by consumer family size. Consumers are giving different preference to different purchasing pattern.

Hellofs and Jacobson, (1999)\textsuperscript{12}, in his study, studied about the negative average effect of market share on quality and the relationship between customer satisfaction and market share. The potential role of different types of negative network externalities and loss of exclusively in explaining market share’s impact are also on perceived quality. Even when consumers claim they prefer to choose a product that is widely used, the perceived quality falls as market share rises. There are at least two possible explanations for this finding category. Consumer’s expectations of what the performance should be increases. A second possible explanation is that consumers underestimate the negative externalities associated with gains in market share. When the change in share occurs and consumers experience the product, the decline in quality becomes apparent.

Lokhande, (2006)\textsuperscript{13}, analyzed that Consumer awareness is essential to avoid any type of unfair practice or cheating by greedy marketers. Every
consumer has the right to get maximum satisfaction from the goods and services for which he has paid. Besides formal education, consumer education should be imparted right from High School level. A wider publicity should be given to consumer protection measures through T.V., newspapers. Use of audio-visual media is effective to educate illiterate consumers. Consumer protection movement should be strengthened.

Levy and Malaviya, (1999)\textsuperscript{14}, came to conclusion that consumers are exposed to commercial messages and most messages share a common goal. The persuasion does not rest within an advertising message. They identified and elucidate the nature of many mental processes and organize our understanding of these processes by appropriately aligning them with the use of judgment formation strategies and a judgment correction process.

Lehmann, (1999)\textsuperscript{15}, concluded that future of consumer research can be bright. If marketers think broadly, focus on interesting and relevant problems, and report results directly, the field will benefit. If not, it can become splintered and largely irrelevant. This leads to specific conclusions pertaining to theory and vocabulary. Theory explains the past and predicts future results. The study of consumer behavior is one of the most fascinating and multifaceted topics imaginable. The consumer research is needed to prevent consumer behavior from becoming increasingly isolated and of marginal relevance.

Mishra and Mahajan, (2008)\textsuperscript{16}, in their study, came to conclusion that there is immense competition and changing consumer preferences in the present era which becomes eminent for the organizations to gain competitive advantage over the other firms. This can be achieved by
continuous innovation in the product by perfectly understanding the customer requirements which could lead to higher customer satisfaction. Changing consumer preferences becomes pertinent for the firms to know exactly what different customers want according to their needs and disposable income. Determining the potential for customer satisfaction or dissatisfaction in their study will give an insight to the firms in the business to identify the features which contributes to customer satisfaction and dissatisfaction.

Malyadri and Rao, (2008)\textsuperscript{17}, in their study, came to conclusion that customer services would be deemed accomplished, when the levels of awareness of insurance are raised. Customer services in real sense would be deemed to have a be achieved, when the awareness of people is taken to further height from the other services like need based products, investment linked policies and the other flexible option. To create a satisfying services experience for both new and existing customer, companies must adopt a model that focuses on the customer products. This model helps to create the responsive sales and service environment and to attract and retain customers.

Mishra, (2007)\textsuperscript{18}, examined that potential customer of the small car manufacture is highly price oriented. The deals offered by the company have increased the level of price sensitivity of the customer. This had made the customer promotion oriented and at occasions buyers of new cars of specific company tend to wait for a deal before making a purchase decision. In the small car industry price is a crucial factor which affects the sales volume. The sales promotional efforts should be adopt to meet the basic attribute of the customer.
Maruthamuthu et al, (2006)\textsuperscript{19}, in their study, found that consumers are highly complex individuals, subject to a variety of psychological and sociological needs apart from their survival needs. They concluded that the introduction of a new variety of products may be attracting new consumers without damaging the existing potential. Family play the part of the major influencer in purchase decision of products. For attracting them the advertisement should be focused on the wants, needs and pleasure of family. Introduction of hygienic and attractive delivery channels without increasing the price may attract more consumers.

Madhavi and William, (2002)\textsuperscript{20}, in their study, analyzed that there are different segments of customers with different perceptions of a products value and attempts must be made to identify the segments with different value perception, and which attributes have the biggest influence on such value perception. To attract customers, manufactures go for segmenting, targeting and positioning of their products based on value preference.

Mittal et al, (1999)\textsuperscript{21}, in their study found that instead of offering products or services alone, firms and their partners are offering consumption systems. Consumption systems are characterized by a significant product and service sub system, as well as a pattern of consumption in which consumption occurs in multiple episodes over time. The cross over effect of products and services satisfaction in determining the intentions towards the manufacturer and the service providers is asymmetric over time. There is no direct link between satisfaction and behavioral intentions, while satisfaction affects behavioral intentions in the future through a dual-mediation route.
Nagroja, (2004)\textsuperscript{22}, examined that rural consumer is totally a different consumer in the rural market scenario. They are influenced by rationally, personal experience, the level of utility that are derived from the consumption which are being influenced by the changing tastes and preferences of the younger generation. The clever and gimmicky advertisements do not work out with rural consumers. Their buying behavior is very much influenced by ‘experience’ of their own and neighbour consumers and his own family and involvement of his own members are exerting maximum influence on his purchases. Above all, quality of product and its easy availability are the primary and vital determinants of their buying behavior. They are very much attached to and influenced by ‘touch and feel’ aspect of any promotional activity.

Oliver, (1999)\textsuperscript{23}, concluded that both practitioners and academics understand that consumer loyalty and satisfaction are liked inextricably. They also understand that this relation is asymmetric. Although loyal consumers are most typically satisfied and satisfaction does not universally translate into loyalty. The analysis concludes that satisfaction is a necessary step in loyalty formation but becomes less significant as loyalty begins to set through other mechanisms. These mechanisms omitted from consideration in current models, include the roles of personal determination and social bonding at the institutional and personal level. When the additional factors are brought into account, ultimate loyalty emerges as a combination of perceived product superiority, personal determinism, social bonding, and their synergistic effects.

Pandey, (2004)\textsuperscript{24}, examined that consumer behavior matrix in the light of research data obtained from focus group discussions with a range of
financial products. Consumer’s purchasing power is greatly influenced by the type of financial product being purchased. They can also postulate that one important unintended consequence of the introduction of new electronic based delivery channels may be to engender now at a distance exchanges which will impact considerably upon the process of service. Within the tradition structure and operation of the financial services industry, consumers had little choice in term of selecting financial instruments and delivery channels.

Rathnayake et al, (2008)\textsuperscript{25}, defined complaining is one of the central behavioral concerns on which a retailer has to expand a considerable attention. Proper understanding of the dynamics of customer complaining behavior supports the retailer to treats the customers who are not satisfied with the retail experience. The youngsters view is that complaining as wastage of their time and effort. Moreover, they slightly believe that they have knowledge on the complaining process. Comparison to women, men tend more towards complaining to vaunt their anger. Mainly, it was recognized that the young customers are more inclined towards private actions and comparatively, men are more aggressive than women.

Ramchandran, (2008)\textsuperscript{26}, came to conclusion that economic prosperity has changed consumer demographics and technological factors have made consumers demand with better quality and efficient services. Customers use the local branches of large commercial to avail themselves of the banking services. Traditionally, retail banks consisted of a number of branches which collected the deposits from public, facilitated repayment of deposits and other payment and offered loan. But technology enable bank to offer their facilities even through ATMs, phone banking and the
internet banking, which in turn have revolutionized the customer service. This has enabled them to minimize the need of physical branch networks. In this technological age, creation of a positive customer relation is not only a necessity but also a key strategy for differentiation. Banks are revisiting their operating models and strategies, both to create a dynamic customer experience and make profits.

Raju, (2008)\textsuperscript{27}, came to conclusion that individuals act and react is based on their perceptions, not on the basis of reality. Thus individual perceptions are much more important to the market than knowledge of objective reality. As marketing concepts is built on the premises that marketing first identifies consumer needs and then develops products and services to satisfy the needs. The quality is found to be most important among all the other features.

Rao, (2008)\textsuperscript{28}, analyzed that four critical elements differentiate a successful low cost air line from an unsuccessful one i.e. innovative customer experience, balanced growth, simplicity and efficiency from route structure and effective governance. These factors determine success and understanding their importance can yield rich rewards. While other factors afford more scope for variation customer experience is a key differentiating factor. Cost and price alone is does not drive the success of low cost carriers especially in an increasingly crowded and low yield market. An essential prerequisite is to develop a unique, well-crafted value proposition through a balanced mix of these factors with prime focus on customer that can make travelling a comfortable and memorable experience.
Rao, (2007)\textsuperscript{29}, examined that banks competition and customer expectations would force the organization to evolve strategies for better management of technology. The organization culture is a vital factor that reflects on the human behavior, attitude towards customer etc. The human factors such as humility, tenderness, politeness etc., are various human behaviors on the part of banking personnel which can have salutary effect on the customer. Therefore, customer's delight is a must along with this technology mission. Men and machines are complementary but not competitive. They can work in tandem and create synergies conducive to strengthen brand equity and customer loyalty.

Singh, (2008)\textsuperscript{30}, examined that (CRM) customer relationship management software acts as a catalyst to generate many customer. Due to the cut-throat competition, it has become essential for every business enterprise to adopt the CRM practices to gain long term customers support and loyalty. It is characterized by more integrated and forward looking approach and utilizes a common language in aligning. Strategic process and information technology of an enterprise are used for predicting customers need and behavior for strengthening relationship with them. Due to liberalization of the Indian banking sector, CRM plays a pivotal role in marketing banks goods and services.

Syedun, (2008)\textsuperscript{31}, came to conclusion that customers are facing the problem of lack of spare points. At the same time, the customers are demanding more value, putting pressure on prices, wider variety, entertainment and social events irrespective of the income group. The success of business will depend on the choice of connect strategy and how they cater to individual customers need. Managers should concentrate on
consumer's perception, beliefs, needs and associations because their perceptions determine the actions of marketers which in turn influence them. Manager can attract consumers by a number of methods such as pricing, packaging, promotion and distribution. The understanding of consumer evaluations and associations for core products and new extension can avoid mistakes and reduce risk.

Suresh, (2008)\textsuperscript{32}, examined that goal of customer retention management is important for any firm. A firm should manage retentions rate and choose retention strategies and tactics. Customer retention does not occur without incurring some costs. Companies can maximize customer equity by matching those costs to the retention values of individual customers rather than by acting on the myopic view that "retention is free." The foreigner insurance companies have been found making it possible and the public sector insurance organizations have been seen making efforts to conceptualize marketing.

Subramanian and Sathyanarayan, (2008)\textsuperscript{33}, came to conclusion that success of any business lies in maintaining a strong base of loyal customers. The organization exists for the customers and the customers are the deciding forces behind success or failure of a business organization. Thus keeping the customers and ensuring customer satisfaction is very crucial for the success and growth of all service firms, no matter what is the size or nature of the business. They measured 9 items by keeping three variables such as operational competence, operational benevolence and problem solving orientation for both Front Line Employees (FLE) behaviors and Management Policies and Practices (MPP) trust worthiness. FLE analysis yielded two factors solutions by
combining operational benevolence with operational competence and problem solving orientations as distinct one for both ELE and MPP thrust worthiness.

Seth et al, (2008)\textsuperscript{34}, in their study, concluded that development of a reliable and valid instrument is essential for assessing customer perceived service quality. On the basis of the findings revealed during the exploratory investigations, convenience and customer perceived network quality dimensions were added in the original scale. There were confirmed by a detailed analysis and validation procedures. Therefore the research can be seen as the study incorporating both functional as well as network quality attributes for assessing customer perceived service quality.

Sharma, (2007)\textsuperscript{35}, examined that rapid deployment of new communications technologies in the customer service is the interaction between service personnel and technology and their influence on customer satisfaction. Specially, there is a lack of empirical evidence that indicates CSR (Customer Service Representative) characteristics, which are most beneficial in the spectrum of communication technology. Overall, the results suggest a high level of consistency for how CSR characteristics influence customer service satisfaction.

Saurabh and Thakur (2007)\textsuperscript{36}, studied about customer satisfaction is the base for business expansion because of the stiff competition prevalent in the banking industry. Excelling and managing customer relationships are the future of the banking business or every body’s business. Customer satisfaction is not to be viewed as just a business strategy but should become a corporate mission and goal. Unless this mission and goal percolates through out the organization at all levels, the chances are that
the attempts to address customers issues will receive only lip sympathy. Building value for customers should be seen as equal to building shareholder value. The challenge for public as well as private banks will be in the area of people (changing their beliefs and attitudes), technology and competition.

Skudience and Auruskevicience, (2007)\textsuperscript{37}, in their study, analyzed that consumers preferences belonging to specific environment. The majority of active people working in the dynamic environment where such personality traits as wisdom and competence, courage and imagination, independence, and success, reliability and harmony as well as charm and good looks are very important. Status in this environment is particularly important since it reflects their professional success. The strongest status is things they own, their looks and their relationship with important people. Clothes take a very significant place in their status creation.

Sehrawet, (2007)\textsuperscript{38}, examined that marketers have been finding that it is hard to identify the new trust area for their marketing programs. Consumers in India nowadays are not forced to buy substandard product at higher price. Today customers are presented with world-class quality at reasonable price. This phenomenon has made the life of marketing people little tough and they have to be more accountable and responsible to consumers and the society.

Selvaraj, (2007)\textsuperscript{39}, analyzed that the rural market is blooming, with increase in the disposable incomes of the households. By nature rural marketing is complex oriented and study of perception of rural consumers is always a difficult task unlike urban consumers. Rural consumers are not varying in their behavior, practices conviction and belief. The general
tendency has not changed widely between rural and urban consumers as regards to aiming on superior quality products. It is essential that an effective communication not only provides information about products but also educates them regarding the use of products.

Sudhakar and Nutan, (2005)\textsuperscript{40}, in their study, came to conclusion that customer seeks more information about product before making purchase, so considerable amount of information should be given through advertisement. Any change in schemes should be communicated to the customer on regular bases. Create more awareness about revised schemes and incentives of post-paid among prepaid card users. Inform them through direct communication or by handing out leaflets when they came to recharge their prepaid cards. Display appealing poster in their view for graduating into post-paid sections. The services should be improved after sales. The CRM team in the company should be given adequate training regularly. There should be a provision for customers to register their complaints in complaints section which must promptly work out a solution for customer problems.

Sadar and Fulzele, (2005)\textsuperscript{41}, in their study, analyzed that consumerism is a national problem afflicting every section of the society, men and women whether old, youth or child, rich or poor, rural or urban, literate or illiterate. Consumer protection is a form of social action which is designed to attain the well being of one group within a society namely the consumers. There were many misconception in the minds of common consumer regarding the practices in market. The least awareness was found in respect of unfair trade practices, malpractices and cheatings. As a good business practice a business must accept consumers are essential
constituents of business activities. In order to remain on the market place, business houses should accept consumers and consumer associations as equal partners in business and economic activities.

Selvaraj and Malathi, (2005)\textsuperscript{42}, in their study, came to conclusion that consumer is the pivot around which the entire system of marketing revolves. Consumer behavior refers to the act of consuming goods or services. Majority of the consumers are motivated by their friends and relatives to buy the products. Majority of the consumers feel that the mobile service advertisement is satisfactory. It can be concluded that the existing customers are satisfied with the cellular service and is having good prospective customers for cellular services. By creating more awareness, better coverage, connectivity and new schemes the prospects for cellular service can be generated. The researchers concluded that “a bird without wings cannot fly likewise; a man without cell can not dwell in future.”

Sakkthivel and Mishra, (2005)\textsuperscript{43}, examined that the modification of buying behavior and consumption pattern of rural consumers are long neglected and hidden in shells. This new avenue would positively to create more demand would bring more money to companies exchequers and also it introduce new products to rural consumers. Hence the company need to focus on the reasons behind the modification in consumers buying behavior and consumption pattern toward the products expected in medium or large containers.

Srivastava and Sengupta, (2004)\textsuperscript{44}, came to conclusion that basis for purpose of the products is the requirement of consumers. They can not be provoked to buy the products. The habit and own choice of consumers
dominate their decision making. The role of advertisements is not important in this process. Role of advertising, and other promotional techniques should be adopted so that the consumer gives trail purchase to the product and on being satisfied develops a preference for it. The field of consumer behavior is complex, involving interplay of individual, social and socio-cultural processes.

Sampathkumar, (2003)\textsuperscript{45}, examined that the study of consumer behavior is important to the marketer, students of marketing, policy makers, regulators and the consumers also. Majority of consumers now a day are highly concerned with the quality of the products. In a majority of cases, companies trying to attract consumers and their loyalty. The consumers both in urban and rural areas, desire to have quality products at reasonable prices and they trust more the advice of retailers. The marketers make efforts to supply quality goods at reasonable prices and also maintain good relations with their retailers.

Singh and Yarso, (2002)\textsuperscript{46}, came to conclusion that everybody in this world is a consumer. Everyday of our life we are buying and consuming variety of goods and services. However, we all have different tastes, likes and dislikes and adopt different behavior patterns while making purchase decisions. With the changing technology, consumers taste and preferences are also characterized by fast changes. To meet this changing environment a firm has to be constantly innovating and understand the latest consumers needs and wants. Consumer behavior provides invaluable items and guidelines to marketers on new technological development which they explore.
Thrumoorthi and karthikeyan, (2006)\textsuperscript{47}, in their study, concluded that in the present scenario a potential customer is offered a wide variety of products to choose in the market. The customer is king, it is he who determines the growth, prosperity and even existence of a business enterprises. The different factors that influence the customers were found to be brand name, availability, advertisement, different varieties, prices, quality, and type of package. From the result of these factors, the customer considered the specific brand to be the best as compare to other brands and the retailers are also satisfied with the services.

Virani, (2008)\textsuperscript{48}, in her study, came to conclusion that kotak Mahindra is very much dedicated and sincere in the awareness and usage of banking channels by the customers. The assets of Kotak Mahindra bank are its intelligent workforce and the harmonious relation that exists between the lower and top management with sound financial strategies, effective marketing channels and excellent infrastructure, the bank has successfully achieved a good market share in India. She concluded that younger respondents have better understanding when compared to the older ones and the customers who are aware of the services are taking the benefits of its.
2.2.3 Review of Literature on Electronic Banking & its Services:

Anitha, (2008)\(^1\), examined that the information technology, in the country have enabled banks to provide transaction settlements through plastic cards such as credit cards, debit cards and ATM cards as well as smart cards to their customers. These plastic cards have given a new shape to money with instant liquidity, constant flow of funds and value added convenience. These cards have provided many benefits but the chances of incurring losses through frauds are also high. The credit card industry is serious in curtailing and minimizing the frauds associated with it. The credit card frauds can be minimized only if the merchants, card issuer and the cardholders take precautionary measures.

Ahmad, (2008)\(^2\), concluded in general, banking sectors reforms have produced favourable effects on the performance of commercial banks, witnessed by their achievement of minimum capital adequacy norms and increased non-interest income. The main challenge for the banks is to harmonize and coordinate with banks in other countries and to maintain financial stability. The other issues for the banks are poor performance of priority sector advances, persistence of still large NPAs, technology up gradation and decreasing interest income. The global environment is cautiously changing and creating new direction, dimensions and immense opportunities for the banking industry.

Arumugasamy and Shenbagavalli, (2008)\(^3\), examined that Automated Teller Machines has come in handy for the urban people to save time and energy for withdrawing money, instead of waiting for hours in queues. Now the boon is also available to villagers. They can have the advantage of ATMs. The bank of India started the first mobile rural ATM in south
India. This mobile ATM was inaugurated by our finance minister. "Around 40 percent our country’s population has not still opened bank Accounts. This kind of initiative will surely motivate them to open Bank Accounts immediately" say Balchandran, chairman and managing Director, Bank of India. More than 8,00,000 ATMs operate worldwide. There are around 18,000 ATMs in India as on March 31, 2005 but the bulk of them are located in major cities and towns. Bank authorities should come forward to install the ATMs in semi-urban and rural branches, so as to help the rural and semi-urban population in India.

Arora and Bansal, (2007), examined that HDFC bank is on number one position which made a timely disbursement of loan to its borrowers. The second number goes to Oriental bank of commerce (OBC) bank. SBI and PNB have equal positions and ICICI bank is on the last position. The employees of ICICI bank have excellent behavior, the employees of SBI have very good behavior, HDFC bank has employees with good behavior, and OBC has average behavior employees. The borrower of ICICI bank and HDFC bank were fully satisfied from the services of these banks. The consumer credit facility makes it easy for a person to have his/her own home, car and home appliances etc.

Akash, (2007), examined that banking industry face many problems like operating risk, legal risk, reputation risk, security risk, global player risk, business risk, high transparency risk, poor communication net work, high cost installation, under developed cyber law and illiteracy etc. In view of this banking industry not performing their functions up to mark, hence the banking industry should adopt suitable strategies towards improve the customers service.
Azhagaiah and Egilarasi, (2004)\textsuperscript{6}, came to conclusion that India is considered as the fastest growing credit card market in Asia. There are distinct advantages of credit card system to the retailer and more especially to the small retailer. The credit card enables the banks to provide a full service to their customers and it is also useful marketing tool for maintaining good relationship with the retailer and consumers. The development of India’s spending pattern and payment card industry is at a critical stage, and initiatives are warranted to strengthen a responsible credit card culture among the customers.

Bhavani and Prakash, (2008)\textsuperscript{7}, analyzed that on line banking is one of the emerging technologies, which is beneficial to financial institutions as well as their clients. It enables a person to carryout his transactions through the internet, irrespective of time and place. The comfort provided by this technology is that people need not to visit the banks personally. The internet not only provides the facility to shop and communicate online, but also bank online. Making deposits, withdrawals and paying bills are now just a click away. Digital signature is used in on line banking to sign and digitally encrypt all transactions. It simply enables one to avoid the time consuming paper based conventional banking process.

Dhade and Mittal, (2008)\textsuperscript{8}, in their study, concluded that the phenomenal changes taking place in the banking industry indicate that the new private sector banks have gradually won the market with their customer-centric approach. The depleting market share of the public sector banks poses a threat to them. This study mainly focuses on the primary opinion of these banks. It is evident from the study of the customers of the private banks are more satisfied than those of SBI. Customers of the SBI are more
sensitive with regard to the processing time taken for account handling and technological updates. Dissatisfaction in those areas can lead to shifting to another bank, while in the case of private banks customers, proximity to residence and sometimes delay in the processing time can be the likely reasons to change the existing bank with a new one.

Gupta and Mittal, (2008)⁹, came to conclusion that banking business has already been different from other business because it comes under the services industry and financial services category. Every one making a financial transaction is anxious about the security of his money. Since innovative modes of transaction in banking like ATMs, internet banking mobile banking depends on the strength of the connectivity; this requires a lot of attention from the service providers, because a small interruption in the system may generate bad publicity and fear among the customers. Since mobile banking is any time and anywhere, banks need to ensure that their systems remain ready for the same. As customers are likely to find mobile banking more and more useful, their expectations would also increase.

Gupta, (2008)¹⁰, came to conclusion that in the early 1990s, the Narasimha Rao government embarked on a policy of liberalization and gave licenses to a small number of private banks, which came to be known as new generation banks. Since then innovations are taking place and e-banking is the most revolutionary innovation in banking industry. E-banking has made the world a global village and removed the time and geographical barriers. With the use of electronic network, billions of dollars can move across countries by click of a mouse and this creates tremendous impact on the economy. Though e-banking is an effective tool but many of the
customers are not using it due to non awareness of the facility. E-banking is not fully used due to inadequate awareness levels besides misconception about and lack of trust in the system. New technologies will not be successful until customers are satisfied with privacy and security aspects. It also requires some time to earn confidence among the customers even if it is easier and cheaper than the traditional methods.

Geetika et al (2008)\textsuperscript{11}, discussed the concept of internet banking, perception of internet bank customers and issues of major concern in internet banking. Internet provides the banks with the distribution channel, which can be levered for increasing the scope of services as well as adding new customers. The customers look for ease in performing banking transactions along with more and updated information when adopting internet banking. Those banks whose policies and websites are complex will face a setback. Customers do not using all services equally. There is a greater concern for securities among the non users and the need to introduce such security measures which are valued more by customers, such as high security password on mobile, tips on website and automatic lockout on multiple incorrect password entry. There is need to increase the trust concern for security among nonusers by increasing the number of security features offered by the banks.

Ghosal, (2008)\textsuperscript{12}, concluded that Reserve Bank of India has to ensure that banks price their products and services aligning with market environment. Consumers expect stability in banks to absorb market shocks. Majority of treasuries in the developing countries are building their own expertise in capital market products and providing sanguine advices to their own customer franchises. This is because both depositors and debtors prefer
stability in rates and expect banks to absorb market shocks. It is true that some changes are slowly creeping in and some conscious efforts by banks.

Ganesh et al, (2007)\textsuperscript{13}, in their study, came to conclusion that in case of the customer trained by the system sellers (training service providers), the three factors extracted are, “providing motivation to participants through training service deliverer, service scope and other tangibles; providing customized knowledge inputs through training service deliverer and the other channels; and delivering effective training service process through service deliverer.” In case of the customers trained by the EDP/IT(Electronic Data Processing/Information Technology) department (in house trainers), the three factors extracted are providing customized knowledge enthusiastically through training service deliver; delivering requisite training service inputs through a service deliver; and providing quality interior service scope.”

Joshi, (2008)\textsuperscript{14}, examined that retail banking is the need of the hour and has a bright future beyond any doubt. Globalization has shrunked the size of the world. Retail banking is basically a consumer-oriented business. One of its important components is that it helps in servicing a big number of small consumers. Many retail banks have highly customer focused strategies. Banks in all the segments are hurry to make more profit and overcome inherent risks. The growth of retail products offered by the Indian banks is increasing sharply. Retail banks encompass areas like housing loan, auto loan, personal loan, education loan, consumer durable loan, and credit. Plastic money has played an important role in promoting retail banking.
Jokhi E and Jokhi M, (2008)\(^5\), in their study, examined that the bank customers are seen as potential targets for different types of fraudulent activities, both online and offline. Some of customers prefer to go to the banks personally to take care of our banking activities whereas some prefer to carry out the transactions through on line banking. Not only the people who use the internet for banking operation are victims of frauds but also who visit banks can also be trapped. Good banks never ask for personal information like password etc. online or offline. If any banking personnel ask for any such information do not disclose anything, but report the matter to the higher authority.

Kamakodi N and Basheer A, (2008)\(^6\), in their study, analyzed about the liberalization of Indian banking sector. All banks have either totally implemented ‘core banking systems’ or halfway through. The electronic banking channels indicate that banks were exceeding the expectations in technology based services and their perceived service level on branch network is below the expectation levels of the customers. Technology alone cannot give a sustainable competitive advantage for the banks. When all banks introduce IT, it will lose its position as a differentiator. Beyond a point, IT along with ‘personal touch’ will be necessary for the banks to retain existing clients and to attract new ones. Banks have to incorporate this in their operational strategy.

Krishnamurthy, (2008)\(^7\), in his study, analyzed that the latest innovation in the banking services is the introduction of ‘e’ mode of banking services i.e. e-banking or electronic banking. The kind of services offered by banks under the e-banking facilities has own advantages, disadvantages and risks. Most modern delivery channels, such as ATM, telephone, internet
and cluster banking are helping banks deliver products cost effectively. It is a well known fact that internet banking is fully technological and oriented towards the convenience of the banks clients. E-banking has made the domain of conventional banking products. The impact of E-banking can be described as a fulfillment of one of the socioeconomic objectives of the governments. Borderless nature of e-banking increases the potential for jurisdictional ambiguities with respect to the supervisory responsibilities of different national authorities.

Kumar et al, (2006)\textsuperscript{18}, came to conclusion that e-CRM (Electronic Customer Relationship Management) in banks has enabled banks to global presence. They become customer-focused organizations by using the various electronic channels. These channels greatly help the banks in understanding the needs and wants of consumers and provide the various services. All this makes the customer loyal and happy. There are some drawbacks which are common to all e-CRM dependent businesses. There is no personal interaction between the customer and supplier. Business has become impersonalized with very powerful means of communication like body language judgment skills becoming non existent. Banks are not able to gauge their customers at all since the complete process has become over the computer screen.

Kumar Narendra and Kumar Madan, (2005)\textsuperscript{19}, concluded that computerization has brought improved customer services in bank branches. Both fully computerized and partially computerized bank branches have been benefit from the use of computers. But the increase in efficiency was higher in fully computerized bank branches as compared to PCBs. Some selected customer services viz. accounts opening, issuing of
drafts, etc. have gained more in terms of increase in efficiency. Other ones like collection of cheques and clearance of cheques have gained less in this regard. Another important is that customer education must to reap the real benefits of computerization. To educate the customers in rural areas, falling mainly in ‘Service Personnel’ and Agriculturist category, special banking weeks may be organized in village and towns informing present as well as potential customers about the new innovative customer services and educate them about how to use these services in a computerized banks branch. Similarly, special seminars and lectures may be organized to educate the customers falling mainly in ‘Businessman /corporate’ and professionals categories. To literate the bank customer about computerization in banks is not only essential for customer satisfaction but also it will lead to efficiency in banking operations.

Kumar Narender and Kumar Madan, (2005)\textsuperscript{20}, concluded that customer is ultimately the key to profitability. The use of IT in Banks has contributed much in improving the customer services. The customer can now get the benefit of speedy and round-the-clock transaction processing and enjoy a high degree of satisfaction. The present study strongly recommends the adoption of information technology in banks so that the banks may equip themselves to satisfy the ever-increasing demands of their customers. Earlier, customers were chasing customers who are now more demanding and sensitive to service quality. Therefore, the computerization will lead to improved quality in customer services. It will equip the banks not only to retain their existing customers, but also to attract new ones.

Kumar Narender and Kumar Mohan, (2005)\textsuperscript{21}, concluded that banking Industry not only kept pace with technological developments but also forced technology to keep pace with banking needs. Incidentally, banking
needs were ever increasing because of the force of competition among banks to provide better customer services and thus to retain existing customers and to attract new ones, whose demands expectations were ever increasing. Services and products like any where banking, tele banking, internet banking, web banking, e-banking, e-commerce etc., have become the buzz-words of the day and the banks are trying to cope with the competition by offering innovative and attractively packaged technology based services to the customers.

Malyadri and Rao, (2008)\textsuperscript{22}, came to conclusion that taking fullest advantage of technology, quick payments and remittances will ensure optimal use of available funds for banks, Financial Institutions, Business houses and the common citizen of India. It will be an enabler for better cash and funds management. Timely receipt of payments by the parties, domestic or foreign, will reduce risks. Better funds management by industry and business will boost productivity and economic growth as well. E-banking has changed the entire profile of the banks in India. E-banking has come to help bankers in many ways. But people want better services. They want to do business transactions and banking, sitting right under the roofs of their houses and offices. The banks in India must wake up to reality and switchover to e-banking else they must face extinction. Providing a reliable legal frame work for electronic payments and dispute resolution process; consolidation of repayments systems; implementation of some of these recommendations to make it more convenient for users are some of the steps that can be taken to accelerate the usage of electronic payment systems in India.
Manoharan, (2008)\textsuperscript{23}, came to conclusion that many banks have outsourced maintenance and cash replenishment services for ATMs. Though the outsourcing has been done to concern of repute, still the chances of banks suffering losses can not completely eliminated as human elements is involved and one can not predict what undergoes in ones mind. Banks have therefore to be vigilant at each and every stage. ATMs frauds not only cause financial losses, but may also hamper customer’s confidence in using ATMs, which would run counter to the industry’s efforts in encouraging greater use of the electronic channels of delivery. It is therefore in the interest of banks to prevent ATM frauds. ATM fraud is not the sole problem of the bank alone; it is a big threat, which requires a coordinated and co-operative action on the part of the bank, customers and the law enforcement machinery.

Manoharan (2007)\textsuperscript{24}, examined that in India debit cards are more popular than the credit cards mainly due to the fact that Indians are not comfortable with debt. Moreover, only a savings account is needed to be eligible for the debit card. India is having huge customer’s base who can afford a debit card but not a credit card. There is a tremendous scope for debit cards in the outlets and business, etc. Though debit cards are more popular now, still the ultimate winner in this bargain are the bankers, who are having both the cards in their product-line and gives the bankers a more competitive edge. This is the reason why Citibank, HDFC Bank, State Bank of India etc., are doing exceptionally well in plastic money business in India.

Manget, (2002)\textsuperscript{25}, examined that growth of mobile business applications is expected to be much faster than mobile consumer applications. Several organizations are using mobile technologies to improve their supply chain
efficiency and offer more customer-oriented services. Organizations using mobile applications for sales force automation and customer relationship management have reported significant gains in their productivity. The study explained how emerging mobile applications would reshape the retail business model and significantly transform the traditional retailing industry. As consumer companies embrace wireless applications, three significant stages of development will occur. First, communication between organizations and their employees, customers, and suppliers will be radically enhanced, in effect mobilizing business operations. Second, companies will use new data from consumers and equipment to reshape business models. And third, previously untapped data will be processed in ways that will change the rules of competition and even redefine industries.

Malyadri, (2004)\textsuperscript{26}, examined that several public sector banks have earmarked substantive budgets and are drawing up IT strategies to face the future challenges. The technology imperatives are of two sorts one for the internal management of banks and other for the interface with customer. Probably ATMs with graphical interface may be more uses friendly to rural folks than having to understand filling up of cheques. Indian banks have track records of meeting unprecedented challenges. Managing the change on account of technology will also be successes in prospect for banks. Planning for IT infrastructures in banking is gaining greater significance in view of the increasing the amount of investment and variety of technologies options to the users.

Nathni et al, (2007)\textsuperscript{27}, concluded that a lot of common between magician and banker. Both are skilled practitioner of the art of making things disappear. The magician’s audience is confused because of the
manipulation while banker’s audience is confused because the trick is never explained. When bankers thought that the formula for success was simple that is to offer services. It is needed to offer quality services through CRM. The system should be transparent, where customer discuss and solve problems freely. There is urgent needed to aware the customer and banks about the relationship banking. So customer should be provided personal attention and banking services should be customized to his needs.

Narasaiah and Murthy, (2006)\textsuperscript{28}, examined that technology today has become a strategic and integral part of banking, which provide products and services at competitive cost with better risk management practices. Additional customers have become very demanding and banks have to deliver customized products through multiple channels, allowing customers access to the bank continuously without any hindrances. There is a tremendous scope for Indian banks to enlarge their electronic banking services which in turn enhance their image. It is more essential to remove the hindrance of security, reluctance to change, lack of awareness among the customers. The changes in adoption of e-banking are also large in number.

Poon and Tan, (2008)\textsuperscript{29}, in their study, came to conclusion that there are six factors influencing the growth of e-banking- convenience of usage cost of services, trust in bank, security concerns, awareness, reluctance of customers and government supports. All the factors are significant with respect to the consumers’ willingness in using e-banking services. Internet accessibility, awareness, cost, trust in bank, security concerns, reluctance of customer, ease of use and convenience are the major factors affecting the adoption of electronic banking services. The advantages of e-banking
are modest when compared to other online channels. It is one of the fastest rising services and is a powerful tool for improving customer satisfaction as well as increasing cross-selling opportunities.

Pushpangathan, (2006)\(^\text{30}\), came to conclusion that Indian commercial banks are offering more varieties of products and services than those of foreign banks for meeting the needs of the different target groups. As regards facilities and amenities in public sector banks the customer expectations are not fulfilled when compared to foreign banks and private sector banks. Facility wise it is not near to foreign banks, the dissatisfaction of customers with the behaviors of bank staff in the dealing with customers in public sector banks and private banks. Though customer services committees are constituted in almost all branches of public sector banks, their performance are not up to mark when compared to private sector banks and foreign banks.

Prasad and Bhatnagar, (2005)\(^\text{31}\), concluded that it is necessary to develop suitable security application using technology innovatively to engender trust on-line because of the lack of face-to-face communication. People use a form of money that they trust. Establishing security is vital because it is the foundation of trust upon which other organizations and individuals will decide whether to use E-commerce for service delivery. Technology trends suggest that the relentless march of technology will lead to the introduction of smart cards that will ensure security, and will probably simplify life for the user. It could become a break-through development, considering that a critical mass of credit card users and ATMs are already in the market. Banks therefore need to keep themselves a breast with those developments in technology, such as security issues in network
communications, which may significantly influence their market share and profitability in the foreseeable future.

Pasa and Sherman, (2002)\textsuperscript{32}, in their study, came to conclusion that several banks in Asia have started offering e-banking services. Most of them are offering basic services unlike those offered in developed countries. However, issues security and access to advanced e-banking products and services are the major deterring factors for the expansion of e-banking in Asia. The future of e-banking in Asia would depend on how banks measure to fulfil consumers’ requirements.

Ravi, (2008)\textsuperscript{33}, in his study, came to conclusion that cash Management services in banking industry enables commercial organization to work with more efficiently. It helps in transfer of payment of funds expeditiously. Normally, the service provider i.e. the bank, pools together all instruments pertaining to customer from different stations. Under normal circumstances, the funds are credited to the client’s account within 24 hours. The CMS provides a centralized and comprehensive system of both collection and payment of funds which enables the corporate clients to plan their payment activities in a safe manner. The facilities provided under CMS differ from country to country depending upon the nature of collection and payment requirements of the clients. CMS enables the customers to receive funds with minimum transit time there by reducing interest costs.

Rayappan and Shunmughan, (2008)\textsuperscript{34}, in their study, analyzed that banks have been designing products and selling them ever since they have been established. But there is a sea change in the current situation. There is a drastic change in customer preferences. However, the existing products
still do satisfy a segment of the market that has been accustomed to these products. They concluded that there is a significant relationship between the satisfaction of the customers and age, gender, marital status, educational qualification, occupation, annual income, account with other banks, and numbers of years of account operation, frequency of visit to the bank and total awareness of customers.

Ravi, (2008)\textsuperscript{35}, in his study, analyzed that banking in India has witnessed remarkable changes and development since the liberalization, globalization and privatization. Due to increasing competition in retail banking, understanding the customer perception about service quality is becoming indispensable. The private sector banks are posing a very stiff competition to the public sector banks through their initiatives for meeting customer’s expectations. This is reflected by the increasing market share and better profitability of private banks in comparison of the public sector banks. At the same time, public sector banks have also responded to the challenges posed by the private sector banks conscious efforts to enhance their service quality.

Radha, (2008)\textsuperscript{36}, analyzed that Bank of America strongly believes in taking customer feedback to determine the parameters that need further improvement. He explained that successful Six Sigma project establishes a standard for evaluating new programs and technology investments. The major objectives of Six Sigma are to provide more sustainable measurable changes, Reduce down-time of the facilities like ATM machines, Reduce the processing cost and time, Reduce customer inquiries, complaints and cycle times, Improve ability to detect and prevent fraud at banking centers, Precise is to be control over payments to suppliers, Increase Customer
Delight with problem resolution, Increase productivity of new employees through training.

Reddy et al, (2007)\textsuperscript{37}, came to conclusion that the banks must try increase productivity through better development of men, material and resources. In order to improve profitability it is advisable for every bank, to diversify its operations and concentrate on innovative products such as, merchant banking, leasing, factoring, insurance, credit cards etc. Further it is suggested that public sector banks should reduce the percentage of their Non Performing Assets to improve profitability. Assets liability management, risk management, man power planning, diversification, adoption of information technology are the key areas which should be concentrate to improve productivity and profitability in public sector banks.

Rathankar and Veeraiah, (2006)\textsuperscript{38}, in their study, concluded that the evolution of IT services outsourcing in the Indian banks started from the basic level of Annual Maintenance Contracts (AMCs) around 10-12 years ago. It services in the banking segment has presently moved on to the level of Facilities Management (FM). Now banks are looking for Business Process Management (BPM) to increase the investment, improve Customer Relationship Management (CRM) and employee productivity. Internet banking is the latest in this series of technological wonders in the recent past year involving the use of internet for delivery the banking products and services. Internet banking is changing the banking industry and is having the major effects on banking relationships.
Reddy, (2004)\textsuperscript{39}, examined that evolution of technology is taking place at an enormous pace and the approach to automation in banking must have an element of healthy “opportunism”. The Indian consumers at large is still not completely comfortable with technology of banking while middle classes becoming more familiar. The younger generations have started using computer from a very early age and this is the generation which would be the consumer of future. The safety and soundness of e-banking procedures are intended to compliment traditional procedures in evaluation of specific activities, such as lending, deposit-gathering and non deposit activities. Currently the e-banking in India is exposed to a lack of trust, hackers’ threat, and lack of communication, infrastructure and adequate security.

Reddy Raghunatha and Reddy Sudarsana, (2005)\textsuperscript{40}, in their study, concluded that technology in the form of electronic banking has made possible to find alternate banking practices at lower costs. The recent emerging thrust in self-service channels, namely ATMs, call centers, internet and mobile banking could increase the use of e-banking as they offer the twin benefits i.e. convenience to the customers and reduction in operation costs for banks. E-banking can increase with the easy access of internet facilities among the masses, which would raise the comfort level for transaction via the web. The popularity of internet banking largely depends upon the installation of confidence in customers about the security and personal privacy of their money and assets.

Singh, (2008)\textsuperscript{41}, examined that banking sector in the present scenario has emerged as the sun rise in Indian Economy. The CRM is one tool which helps in meeting the customer’s expectations according to the changing
needs. While analyzing the CRM implementation in both public and private sectors, it has been concluded that the private sector banks have been able to implement the CRM practices more effectively than public sector banks. This indicates that the private sector banks have been more innovative in understanding their customers and in understanding their customer retention. The banks are now under tremendous pressure to retain older customers because of the competition in the sector. This would not only ensure better customer relations but also loyalty among them, which is critical for their retention by the respective banks.

Sarangapani and Mamatha, (2008)42, in their study, analyzed that information technology has become an integral part of the banking system. With the help of IT, the banking industry is able to meet customer requirements efficiently. The major issues causing concern for extensive application of IT in banking relates to e-security threats in the form of cyber crime, frauds, thefts etc. In order to bring out meaning full discloser of true financial position of banks and to more closely to the international practices, banks are implementing processes which enhance transparency in the system. The existing legal frame work is adequate to meet the challenges of e-banking. Now it has become essential to create awareness among the customers, banks and society about the rights and remedies available against e-banking risks. The proper implementation of various provisions of cyber laws will ensure the safety of banking customers from various risks.

Singh, (2008)43, in his study, came to conclusion that in banking the quality of customer service holds primary significance, particularly in the context of sustained business growth. Unlike other industries engaged in
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the production of tangible goods, banks are unique in the sense that they produce and deliver the service at the delivery points i.e. by the channels. This has an overwhelming impact on the customers psyche and makes them super sensitive towards the quality of service. The relationship between a bank and its customers is not a one time affair, but a relatively permanent and enduring one, which requires to be nurtured with good quality of service.

Subbakrishna, (2008)\textsuperscript{44}, in his study, analyzed that a major transformation in payment systems across the globe happened since the last decade of the 20\textsuperscript{th} century due to revolutionary possibilities offered by information and communication technology. Now all type of payments using the banking channel and inter bank settlement happens faster. Inter bank settlements are shifting to Real Time Gross Settlement (RTGS) system, from Deferred Net Settlement System (DNSS) basis, which are settled only at the end of the day. The shift to RTGS will provide safe, secure and cost effective payment system, besides reducing credit risk in the settlement process. The continuous encouragement to banks and customers is showing good progress in all the areas of Electronic Payment Settlement System. The migration from paper based system to mandatory electronic systems of large value payments of Rs1 crore is an important milestone.

Srivastava, (2008)\textsuperscript{45}, examined that Information Technology in banking has been an international phenomenon for two decades. Other salient developments include mobile banking and new service delivery channels in the form of multifunction kiosks, ATMs, etc., apart from a large-scale dependence on card-based retail transactions. In India, technology implementation poses innumerable issues and options, such as the choice
of optimal technology; cost of its implementation; high rate of technological obsolescence and need for periodical updating; advantages and risks of outsourcing; convergence of technologies as well as need for compatibility with the present systems so as to ensure smooth transition. These are indeed tough tasks but at the same it provides an opportunity to innovate and design customer-friendly products and services. Today, the deep penetration of mobile telephone across the social strata provides an opportunity to the central bank to explore the options of making it a reliable alternative for paper or card-based retail payment system in India.

Sharma and Nanda, (2006)\textsuperscript{46}, in their study, concluded that the issuer bank takes a number of safeguards in the interest of cardholders so as to prevent the misuse of their credit cards by miscreants. It is for the cardholders to be extra cautious while moving out of their houses or transacting business at merchant establishments/ATMs through credit cards. Transacting business on internet makes the task easy, but who knows that the credit card related information has been stolen by the miscreants during the course of transaction and the card holder may turn out to be a victim subsequently. There does not seems to be a fool-proof solution to the problem and that is considered a sensible act is “Be careful, be alert” while holding credit cards.

Sharma and Nagpal, (2006)\textsuperscript{47}, in their study, analyzed that Marketing Customer Information File (MCIF) can reduce the pain of the banks by providing readily available report for direct marketing and setting up a system of Customer Relation Management (CRM). MICF can be the most powerful management information tool. The arrival of MICF has been a boom for financial analyst, marketers, researchers, and planners; there has
not been a lot of emphasis on using this system to improve customer service and sales. It is a function, for which they are perfectly capable of and should be supporting. Customers are required to fill in a relationship from containing demographic and other information, which ultimately becomes the basis for CRM in new generation and foreign banks.

Sivaloganathan, (2004)\textsuperscript{48}, examined that E-payment service is more of a cost saving function than revenue generating function. The banks will indirectly benefit from the service, which will have a positive impact on profitability. At present the market is growing at more than 150 percent every year and perhaps this growth prospect will lead all the major banks to enter into the bill payment market using the on line option. 13 banks including HSBC, standard chartered oriented bank of commerce and some cooperative banks have outsourced their e-payment service to bill junction payment limited, which provides end-to-end solution from registration to processing of payments.

Thigarian, (2008)\textsuperscript{49}, concluded that traditional banking has under gone a tremendous development in the recent years. Technological development in banking sector has changed the entire scenario of banking transaction. Due to the advent of technological development there was hardly any need for the customer to visit the branch as a result of introduction of ATM facility, phone banking, internet banking, mobile banking etc. and even for availing credit facility like vehicle lone, Housing loan, Personal loan, credit card etc, the borrower need not have to visit the branch. In the present day banking, many of the banking customers do not have contact with the branch in which they have opened the account. In the anywhere banking facility, the customer operates through the various branches of the
bank depends upon his necessity. The networking and anywhere banking facilities have extended the customer based of the branch beyond the service area.

Vinayagamoorthy, (2008)\textsuperscript{50}, concluded that the current trends are quite comforting for customer but it does not pose threats and problems to banks. Banks are required to restructure, re-invent and reengineer themselves to meet the necessary performance improvement and get the competitive edge due to the introduction of information technology. Banks are slow but are going to offer in further more e-banking services to keep in pace with the evolving pattern of customers demand. Banks have to deal with the sophisticated clientele with the help of latest technology like e-banking. E-banking if taken in the right way by banks and customers would take the economy to its best and make it a boon to customers.
Reference of Consumer Behavior:


Reference of Electronic Banking & its Services:-


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