CHAPTER VI

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION
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AND CONCLUSION

6.1 FINDINGS

6.2 SUGGESTIONS

6.3 CONCLUSION

6.4 FURTHER RESEARCH
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SUMMARY OF FINDINGS, SUGGESTIONS AND CONCULSION

6.1 FINDINGS

Gender Wise Classification

A majority (60%) of the male customers have preferred internet banking than their female counterparts as male is techno saavy.

Age Wise Classification

40% of the respondents who belonged to the age group of 21 - 30 years make use of internet banking service as they are exposed to technology enabled services.

Marital Status

A majority (79%) of the respondents are married. It is identified that married people mostly prefer internet banking as they have greater responsibility.

Educational Status

All (100%) the respondents are educated and there is no respondent without formal education.

Educational Qualification

The respondents of 53% are graduates.

Occupation Wise Classification

The respondents of 41% are working as private employees. It is evident that private employees are highly interested in internet banking service.

Occupational Background

It is found out that 56% of the respondents are from service background.
Monthly Income

It is understood that 40% of the respondents belong to a monthly income category of Rs. 20,001 - Rs. 30,000.

Type of Family

A majority (81%) of the respondents belong to nuclear family as they need privacy and expect to be independent in all walks of life.

Location Wise Classification

It is found out that 50% of the respondents reside in municipal corporation area and hence they are fond of internet banking.

Preferred Bank

It is understood that 28% of the respondents hold their accounts in Axis Bank as it offers better quality of service.

Locations of the Bank

It is found out 53% of the respondents have an account in the urban area bank as they are offering a variety of services. This is mainly due to the fact that urban area banks offer a variety of services to attract the customers.

Source of motivation

It is identified that 33% of the respondents have been motivated by their relatives to opt for a particular bank.

Type of Account

About 56% of the respondents have preferred savings bank account than other types of accounts as it is compulsory for operating any loan and direct cash transfer.
Number of Year of Maintaining Account

Around 55% of the respondents are maintaining their bank account for over 6 years as they have realized its significance.

Time Taken to Open Account

Around 55% of the respondents have stated that their bank has taken around 1 hour to open an account as it is a part of promotional measures. This reveals that a majority of the respondents have opened their account in less than one hour owing to the software used by the banks to speed up the process.

Frequency of Visiting Bank

A majority of the respondents (30%) visit the bank rarely as they have internet banking access. The other reasons for reducing the frequency of visit are availability of ATM facilities, Tele banking and mobile banking and so on.

Purpose of Visiting Bank

Around 50% of the respondents have visited the bank branch for updating pass book only as it cannot be done through internet banking.

Usage of ATM Card

All (100%) the respondents are using ATM card as they have understood the significance of ATM Card. Now a days, some banks issue ATM card at the time of opening bank account itself. Thus, the customer can operate the account from the next day itself.

Supply of ATM Card Immediately

A majority (81%) of the respondents have stated that they received the ATM card shortly as all the banks it as a promotional tool.
Time Taken to Avail ATM Card

A majority (64%) of the respondents have stated that the bank has taken less than 15 days to issue an ATM card.

Frequency of Using ATM Card in a Month

Around 59% of the respondents are using ATM card for more than 10 times in a month despite the fact that banks levy charges on excess usage of cards.

Sources of Knowing Internet Banking Service

Around 40% of the respondents have become aware of internet banking service through their friends.

Number of Years of Using Internet Banking

59% of the respondents were using internet banking service for 3 - 5 years. Thus, the customers have realized the significance of internet banking service for many years.

Way to Access Internet Banking Service

37% of the respondents have accessed internet banking service using laptop due to its mobility. However, personal computer is also highly preferred to access internet banking.

Frequency of Using Internet Banking Service

41% of the respondents have used internet banking service as and when need arises.

Highly Preferred Service

41% of the respondents have highly preferred online payments as it avoids standing in queue for long time.
Experience on Online Shopping

A majority (78%) of the respondents have experienced online shopping using internet banking as it is an easy mode of payment. This has been encouraged by e-commerce companies, for instance, Flipkart, e-bay, Snapdeal, Jabong, Amazon, and Myntra.

Frequency of Online Shopping in the Last Year

48% of the respondents have shopped online for 4-6 times in the last year online.

Factors Influencing to Opt for Internet Banking

The factors which were highly agreed by the respondents are easy bill payments (4.64), followed by getting transactions done at any time (4.54), Instant checking of account balance (4.54), Faster mode of banking transaction (4.53), Transfer of payment or funds between accounts (4.46), facilitate online shopping (4.43), To know about various schemes (4.39), Getting transaction done anywhere (4.26), Improved service and increased flexibility (4.25), Online information of products & services (4.21) and Downloading of various banking forms (4.17). It is obvious from the table that majority of the respondents have preferred internet banking as it facilitates easy bill payment.

Purpose of Using Internet Banking

The purposes of using internet banking by the customers are ranked based on the mean score, Fund transfer (9.60) has bagged the first rank followed by money transfer (5.84), payment of utility bills (5.68), online purchasing (5.51), check balance (5.16), lodging complaints (4.95), and pay off loan (4.77). It is vivid from the table that most of the respondents are using internet banking for transferring fund from one account to another. And the least preferred service is to pay off loan using online banking as the customers feel physical settlement is the better choice.
Benefits of Internet Banking

The benefits which are highly agreed by the respondents are quick fund transfer (4.73), followed by timely future transaction (4.72), Need not carry cash (4.70), Save time & energy (4.66), Online purchases (4.62), No time restriction (4.39), No physical evidence (4.36), Anybody can operate (4.35), Better service quality (4.25), Easy to operate (4.13), Tax filing is easy (4.07) and Take control of your finances in any time (4.05). It is obvious from the table that the key benefit of internet banking is quick fund transfer.

Dimensions of Internet Banking Benefits

In case of transaction benefit, the customers are highly agreed on its aspect that internet banking transactions save more time (4.71). Concerning information quality the customers are highly agreed on the statement that internet banking provides reliable information (4.72). In case of information accessibility, the customers are highly agreed on the dimension that internet banking is more convenient to access information from anywhere (4.52). It is clear that all the dimensions of benefits are highly agreed by the respondents.

Problems of Internet banking customers

The problems which are highly agreed upon by the respondents are network disruption (4.53) and awareness about the availability of online banking service is less (4.30). It is vivid that the key problem of the respondents is network disruption.

Opinion about the Features of Internet Banking Service

The customers’ opinion about the features of internet banking service has been ranked based on the mean score. Convenience (4.53) is ranked first followed by high speed (4.33), confidentiality (3.96), high security (3.63) and user friendly (3.35). It is clear that the customers have considered convenience as the main feature of internet banking service.
Satisfaction Level on Internet Banking Service

The customers were highly satisfied on internet banking providing 24×7 hours service (4.51), it curtails the time to stand on queues in the bank branches (4.34), it helps to perform the transactions confidentially (4.31), internet banking ensures accountability (4.20), it provides necessary information to the customers (4.19), internet banking provides up-to-date information regularly (4.18) and it increases the believability, honesty and trustworthiness of the customers (4.11). It is evident that the customers are highly satisfied with round the clock service and curtailment of time offered by internet banking service.

Opinion about Internet Banking Service

A majority (60%) of the respondents opined that banking through internet is easy.

Satisfaction on Internet Banking Customer Care

54% of the respondents opined that the internet banking customer care is good. It is apparent that most of the customers are satisfied with internet banking customer care.

Idea about Internet Banking Service

46% of the respondents have stated that the internet banking service is very good.

Privacy of Internet Banking Service

46% of the respondents have strongly agreed that there is enough privacy in internet banking service.

Confidentiality of OTP

54% of the respondents have highly agreed about the confidentially of One Time Password (OTP) which ensures service transaction.
Communicating New Products and Services

25% of the respondents have stated that they came to know about the new products and services offered by the bank through advertisement as it reaches the mass easily.

Encountering Problem Related to Internet Banking Service

A majority (80%) of the respondents have stated that they have not encountered any problem in connection with internet banking service.

Lodging Complaint against Internet Banking Service

52% of the respondents have not lodged any complaint against the defect of internet banking service.

Mode of Registering Complaint

32% of the respondents have filed complaint in person as they can narrate in detail.

Problem Solved by the Bank Quickly

A majority (79%) of the respondents have stated that their problem was solved by the bank quickly. It is inferred that the banks are efficient enough to handle the complaints against internet banking service.

Satisfaction on Problem Rectification

A majority (70%) of the respondents have stated that they are satisfied with the way in which the problem is rectified by the bank.
Suggestion for Improvising the Quality of Internet Banking

It is evident that the banks are rectifying the grievances of the customers in an efficient manner. Availability of service in regional language (6.14) bagged the first rank followed by low transaction cost (6.08), disruption free network (5.41), high speed (5.18), curtailing procedural flaw (5.01), better customer services (5.00) and easy to access (4.58). It is vivid that most of the customers are suggesting the bank to offer the service in the regional language, reduce transaction cost and also to offer disruption free network to enhance the number of internet banking users.

Satisfaction on Traditional Banking

29% of the respondents are dissatisfied with traditional banking. This indicates the prosperous future of internet banking service.

Security Related Problems

38% of the respondents have no opinion about the security issues faced by them.

Overall Satisfaction on Internet Banking Security

32% of the respondents are dissatisfied with the overall security of internet banking service. Thus, the banks have to pay special attention on the security of internet banking service.

Safety of Supplying Private Information through Email

34% of the respondents have disagreed with the safety of supplying private information via email for banking purpose.
Recommending internet banking to Others

All the respondents are interested in recommending internet banking to others as it offers plenty of facilities to the customers. It is evident that all the internet banking users have realized the significance of internet banking

Number of Years of using internet banking service and the problem encountered

The p value is lower than 0.05 and the null hypothesis is rejected, thus concluding that there is an association between the number of years of using internet banking service by the customers and the problem encountered by them related to internet banking service.

Frequency of using internet banking service and the problem encountered

The p value is lower than 0.05 and the null hypothesis is rejected, thus concluding that there is an association between frequency of using internet banking service and encountering problems related to internet banking service.

Factors influencing to opt for internet banking service

The Factor analysis extracted four factors from fourteen statements with a satisfactory Eigen value of more than one. Among the four factors, the first factor alone contributes 33% of the total variance. The second factor contributes 20%, the third component accounts for about 17% and the fourth factor explains 11% of the total variance extracted. Overall, all the four factors extracted explain about 81% of total variance, which can sufficiently explain all fourteen factors.

Uses of internet banking service

The Factor analysis extracted three factors from fourteen statements with a satisfactory Eigen value of more than one. Among the four factors, the first factor alone
contributes 56% of the total variance. The second factor contributes 14%, the third component accounts for about 11% and the fourth factor explains 11% of the total variance extracted. Overall, all the four factors extracted explains about 81% of total variance, which can sufficiently explain all fourteen factors.

**Satisfaction on internet banking service**

The Factor analysis extracted three factors from the twelve statements with a satisfactory Eigen value of more than one. Among the three factors, the first factor alone contributes 39% of the total variance. The second factor contributes 28%, the third component accounts for 17% of the total variance extracted. Overall, all the three factors extracted explain about 84% of total variance, which can sufficiently explain all fourteen factors.

**Relationship among the uses of internet banking service**

It is apparent from the table that high speed has negative relationship with other benefits as the customers’ opinion on high speed differs from other benefits.

**Expected measures from the bank to improvise service quality**

It is apparent from the table that there exists difference of opinion in the expected measures to improvise the service quality.

**Location of the Bank and Benefits Obtained from IBS**

The p value is less than 0.01, the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is significant difference among the locations of the bank with respect to the benefits of IBS. Based on the Duncan Multiple Range Test, the banks located in different locations differ from one another in case of benefits of IBS.
Place of Residence and Factors Influencing to Opt for IBS

The p value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is a significant difference among the place of residence of the customers with respect to the factors influencing them to opt for IBS. Based on the Duncan Multiple Range Test, the customers who reside in Municipal Corporation and Municipality differs from the customers who reside in Town Panchayat in case of factors influencing them to opt for IBS.

Number of Years of Using IBS and Factors Influencing to Opt for IBS

The p value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is a significant difference among the years of using IBS by the customers with respect to the factors influencing them to opt for IBS. Based on the Duncan Multiple Range Test, the customers who are using IBS for less than 3 years differ from customers who are using for 3-5 years and over 5 years in case of factors influencing them to opt for IBS.

Number of Years of Using IBS and the Satisfaction Level on IBS

The p value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is a significant difference among the years of using IBS by the customers with respect to their satisfaction level on IBS. Based on the Duncan Multiple Range Test, the customers who are using IBS for less than 3 years differ from the customers who are using for 3-5 years and over 5 years in case of satisfaction on IBS.
Number of Years of Using IBS and Problems Encountered

The p value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is a significant difference among the years of using IBS by the customers with respect to their problems related to IBS. Based on the Duncan Multiple Range Test, all categories of customers are having difference of opinion with respect to the problems related to IBS.

Place of Residence and the Problems Related to IBS

The p value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is a significant difference among the place of residence of the customers with respect to their problems related to IBS. Based on the Duncan Multiple Range Test, the customers who resided in different location differ in their opinion on problems related to IBS.

Location of the Bank and the Problems of IB Customers

The p value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Hence, it is concluded that there is a significant difference among the locations of the bank with respect to the problems faced by the IB customers. Based on the Duncan Multiple Range Test, the problems of IB customers differ according to the location of the bank.

Expectations of customers from the bank to improvise the quality of internet banking service

A majority of the customers have given the first rank to disruption free network. The table exhibits that the sample customers have given second rank to better customer service. The table further shows that the sample customers have given the third rank to
availability of service in regional language. It is further clear from the table that the sample customers have given the last rank to easy to access.

**Purpose of using internet banking among customers of different marital status**

A significant difference among the customers with different marital status was identified regarding the different purpose of using internet banking with regard to credit card facility and information of new products and services since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Purpose of using internet banking among customers of different educational qualifications**

A significant difference among the different educational qualification of customers was identified regarding the different purpose of using internet banking services with regard to payment of utility bills and online purchasing since the respective “F” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Bankers support for internet banking services among customers of different gender groups**

A significant difference among the different gender groups of customers was identified regarding the different bankers support for internet banking services with regard to positive for all the transactions since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Bankers support for internet banking services among customers of different type of family**

A significant difference among the different type of family of customers was identified regarding the different bankers support for internet banking services with
regard to no hidden cost since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Bankers support for internet banking services among customers of different marital status**

A significant difference among the different marital status of customers was identified regarding the different bankers support for internet banking services with regard to positive for all the transactions since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Bankers support for internet banking services among customers of different age groups**

A significant difference among the different age groups of customers was identified regarding the different bankers support for internet banking services with regard to internet banking product quality and delivery since the respective “F” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Bankers support for internet banking services among customers of different educational qualifications**

A significant difference among the different educational qualification of customers was identified regarding the different bankers support for internet banking services with regard to reasonable service cost since the respective “F” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Benefits of internet banking services among customers of different gender groups**

A significant difference among the different gender group of customers was identified regarding the different benefits of internet banking services with regard to no
physical evidence since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Benefits of internet banking services among customers of different type of family**

A significant difference among the different type of family of customers was identified regarding the different benefits of internet banking services with regard to easy tax filling and easy opening of accounts since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Benefits of internet banking services among customers of different marital status**

A significant difference among the customers with different marital status of customers was identified regarding the different benefits of internet banking services with regard to easy opening of accounts since the respective “T” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Benefits of internet banking services among customers of different age groups**

A significant difference among the different age groups of customers was identified regarding the different benefits of internet banking services with regard to quick funds transfer since the respective “F” statistics were significant at 5 per cent level and the null hypothesis is rejected.

**Benefits of internet banking services among customers of different educational qualifications**

A significant difference among the customers with different educational qualification of customers was identified regarding the different benefits of internet banking services with regard to quick funds transfer since the respective “F” statistics were significant at 5 per cent level and the null hypothesis is rejected.
7.2 SUGGESTIONS

“Bank is in the business of maintaining risk, not avoiding it”

The purpose of doing research is to bring out suitable suggestions to overcome the existing problems. Thus, the study offers suitable suggestion for the betterment of internet banking service in Tirunelveli District.

The following suggestions are recommended for enhancing internet banking services of banks to the customers.

- The banks should ensure the availability of disruption free network so as to facilitate the customers to get the transaction done in the first attempt.

- Banks should take necessary steps to create awareness among rural people about the advantages of internet banking services available in the banks.

- The banks should offer internet banking service in the regional language of the customers to enable all the customers to make use of the service irrespective of their education level.

- The banks should bring down the cost per transaction as they are changing the customer for other bank fund transfer.

- The internet banking system should be enhanced to make the online enquiry and online payment much more easier to the customers.

- The bank should not restrict the time to carryout NEFT transaction in care of transferring fund from one bank to another.

- Public sector banks should improve their internet banking services to compare with their private sector counterparts.
● The banks ought to create adequate awareness about the innovation made in the internet banking service.

● The bank customers have perceived the risk of getting wrong information from internet banking services. These illusions should be removed from the minds of the customers by bank people as these factors are the barriers for most of the customers for not adopting these services.

● The banks should curtail the procedure of internet banking as the customers feel procedural flaw is one among the key problems of them.

● In order to encourage the customers, all the banks should make available internet banking corner of enable the customers to get the transaction done at the internet banking corner itself. This would avoid the customers to stand in queue and also to familiarize them with internet banking service.

● The public sector banks must improve its service quality in terms of communication, responsiveness, reliability and understanding.

● The bank should provide various effective modes for promotional schemes, interaction with the customers, more accuracy in billing, and financial security and privacy in transactions.

● To improve in these areas the public sector banks should invest large amount in training the employees to provide up-to-date and sophisticated information to customers.

● The bank should offer modern facilities to the customers and also banks should also invest large amount on the web-page designing to tune the date website user friendly and also to provide up-to-date information.
In order to facilitate the customers, internet banking service can also be offered in the regional language of the customers and the web portal should give all the required information on the main page and not on further links.

To enhance the usage of e-payment modes, banks should reduce the fees charged on clearing and interbank fund transfer service.

The major reason of slow pace adoption of electronic mode of fund transfer particularly in the retail segment is lack of education particularly on the part of bank staff.

The banks should emphasize more on popularizing internet banking service among the customers so as to curtail of transaction and to elevate customer satisfaction.

Government and banking regulator should thoroughly explore the new risks and security challenges associated with electronic payment systems to reduce the risks at to a great extent.

The banks should enhance the awareness at the level of branch staff. The other major problem is the lack of customer education and awareness about the features and benefits of internet banking service. So there should be arrangement for systematic educational campaign for the clients to educate them.

In order to create and rebuild the trust, customer banks should take further strong security measures from every aspect in internet banking service. Mostly customers in public and private banks are still unaware of internet banking service. So banks should take reasonable steps, for example, advertising campaign, seminars etc in order to create awareness in the society from the uses and benefits of internet banking service. Many internet banking services about are still not offered by all the banks in Tirunelveli district and steps should be
taken to introduce them. So the banks should spend large amount on launching these services effectively. They should more enthusiastically observe customers’ preferences for triumphant reaction.

- Banks should initiate appropriate strategies to develop and innovate new banking products and services so as to widen their customer base as customer choice, taste and preferences are fast changing while their expectations are increasing from the banking system. The banks should make efforts to earn its customers’ trust, as Customers’ decision to adopt the innovation and for its continued use depends upon the level of their trust in internet banking service.

- Banks should take initiatives to educate their customers to avail more of online/e - delivery channels than having physical banking to ultimately reduce the operating cost and to enhance customers’ delight. Banks should not charge its customers for using their online services. Banks should not charge its customers for using their online services. Both the banks should take initiative to increase the share of e – payments like ECS debits/credits, NEFT, RTGS etc to reduce the operating costs and gradually migrate towards paperless/cashless transactions (Eco – Banking).
7.3 CONCLUSION

Mostly customers transact with the banking institutions to handle their finances. While some of the customers have time to stand physically at the bank and seek information, some of them do not want to waste time by ensuring their physical presence at the bank premises. Consequently, the online banking service has come into the picture. The researcher’s aim throughout the study has been to examine how far the customers are satisfied with the internet banking service offered by both private and public sector banks in Tirunelveli district. Customers are the most important assets of any business. The success and failure of any business depends upon how far they satisfy the expectations of their customers.

This study unveils that the key issues faced by the internet banking customers are network disruption, lack of awareness on available online services, difficulties in foreign money transfer and non-user friendly website and so forth. However, addressing all these issues would bolster internet banking service and enhance the number of customers using internet banking service. Hence, this study would be an eye opener in the progress of internet banking service. This study recommends the banks to ensure disruption-free network, user friendly website, availability of service in regional language, reducing the transaction cost and so on. The prospective of internet banking is based on how far the banks facilitate the customers by implementing the recommendations. Thus, this study would pave way for further development in internet banking service in Tirunelveli District.

The researcher is optimistic that the above measures shall pave the way for meritorious success in customer’s services by modern banks.
7.4 FURTHER RESEARCH

The following areas need further research in this field for the effective implementation of various internet banking services in the future for the benefit of all the people. The present study has made an attempt to assess the customers’ perception towards internet banking in Tirunelveli district. There still remains great potential for future research on the following areas.

➢ A comparative study on perception of users of private sector banks and public sector banks at district level.
➢ A study on problems of banks in recovering time barred debts
➢ A study on security problems in commercial banks
➢ A study on plastic money frauds
➢ A study on importance of internet banking in financial inclusion.
➢ Strategies for successful implementation of internet banking service in the Indian landscape.
➢ A study on status of e-banking in the development of co-operative banks in Tamil Nadu.
➢ A detailed study can be carried out to identify the risks involved in the delivery of banking products and services using Information Communication Technology.
➢ A study on evaluation of internet banking websites in India.
➢ A study on banker’s attitude towards internet banking service.
➢ A comparative study on Indian and foreign customers perspective towards internet banking services.
➢ A study on impact of information technology act in safeguarding the customers using internet banking services.