
A study on customers perception towards online banking during covid-19

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Abstract: Online banking is increasingly becoming popular because of convenience and flexibility. The present paper explores the major factors responsible for internet banking based on respondents' perception on various internet applications. It also provides a framework of the factors which are taken to assess the internet banking perception. The banking industry has been rapidly developing the use of online banking as an efficient and viable tool to create customer value. It is one of the popular services offered by the traditional banks to provide speedier and reliable services to online users. With the rapid development of computer technology as a commercial tool, Internet banking can be used to attract more customers to perform banking transactions in related banks. However, the main problem of Internet banking faced by the providers is that a large number of the banks' customers are not willing to use the Internet banking services offered. This happened due to the services offered through Internet banking have yet to satisfy their customers. Customer satisfaction is an important factor to help banks to sustain competitive advantages. Therefore, the purpose of this research is to search and examine the factors which influence customer satisfaction towards Internet banking.

Keywords: Internet banking, online, Bank, perception, e-banking, customer satisfaction, banking Transactions, Innovation and entrepreneurship

INTRODUCTION

Online banking allows a user to conduct financial transactions via the Internet. Online banking is also known as Internet banking or web banking. Online banking offers customers almost every service traditionally available through a local branch including deposits, transfers, and online bill payments. During the Covid19 situation the Government has announced a lockdown from March 2020 to August 2020. Due to this most of the firms and organizations are closed and most of them lost their jobs. But banks were allowed to function with limited staff and in certain areas. So, people cannot come out for their regular needs for banking and they find it difficult and the banks ask their customers to use online banking services. Hence, the need for online banking has increased during the covid19 situation and the Reserve Bank of India (RBI) said that 57 percent of the customers are using online banking. The banks were concentrated more on online banking for the better experience and satisfaction of the customers.

According to health recommendations, one of the most effective ways to contain the current COVID-19 epidemic is to avoid personal contact. This means reducing the movement of people and increasing the time they spend at home as much as possible. In line with these indications, most banks in the affected countries have reduced the opening hours of their branches and they recommend their customers use online banking. To encourage the use of this channel, many banks have taken the opportunity to send out positive messages and to remind their users of the benefits of online banking. These benefits include the ease of carrying out any transaction 24/7 and enjoying permanent access to all financial information in real time. Some banks have also tried to promote online banking by sharing tutorials and expanding the types of transactions customers can carry out remotely.

The role of banking in the covid19 situation: However, it is clear that people still require banking services, and even minimal in-branch services, because not all users will immediately transition to digital channels. For example, elderly customers, who are among the most vulnerable to COVID-19, are the least likely to increase their use of online banking. Data on the use of online banking services by age range in Europe shows that among users between 55 and 64 years of age, 48% use online banking, less than half, and among those aged between 65 and 74, the figure is even lower at 33%. In any event, and although the increase in the adoption of online banking services is being driven by the pandemic and the health restrictions in place as a result, it could bring about positive change in the medium and long term. For example, with the improved security and usability of digital channels to facilitate access to banking services for certain user segments. Only time and data will tell. Our research idea is

based on the rich knowledge acquired by our peer teams across the university. (Danda, S and Chinnaswami, 2009; Narayanan, Kannan and Sreekumar, 2009; Priya S *et al.*, 2009; Danda and Ravi, 2011; Neelakantan *et al.*, 2011, 2013; Prasanna, Subbarao and Gutmann, 2011; Narayanan *et al.*, 2012; Venugopalan *et al.*, 2014; Krishnan and Chary, 2015; Neelakantan and Sharma, 2015; Ramesh *et al.*, 2016; Manivannan, I., Ranganathan, S., Gopalakannan, S. *et al.*, 2018; Dua *et al.*, 2019; Ezhilarasan, Apoorva and Ashok Vardhan, 2019; Panchal, Jeevanandan and Subramanian, 2019; Rajeshkumar *et al.*, 2019; Ramadurai *et al.*, 2019; Ramakrishnan, Dhanalakshmi and Subramanian, 2019; A.C.Gomathi, S.R.Xavier Rajarathinam, A.Mohammed Sadiq, Rajeshkumar, 2020)

REVIEW OF LITERATURE

(Pikkarainen *et al.*, 2004) The study aims at advances in electronic financial innovation and has made novel methods of dealing with day by day banking issues, particularly by means of the web based financial channel. The acknowledgment of web based financial administrations has been quick in numerous pieces of the world, and in the main e-banking nations the quantity of e-banking contracts has surpassed 50 percent. The discoveries of the examination demonstrate that apparent value and data on the internet relying upon the Web webpage were the fundamental elements impacting online-banking acknowledgment.

(Aladwani, 2001) This paper reports the consequences of a quantitative investigation of the view of banks' chief and IT supervisors and likely clients with respect to the drivers, improvement difficulties, and desires for web based banking. The discoveries will be helpful for the two analysts and experts who look to comprehend the issues pertinent to internet banking.

(Singhal and Padhmanabhan, 2008) Paper determines the online banking is turning out to be progressively turning out to be well known as a result of comfort and adaptability. The current paper investigates the central point answerable for web banking dependent on respondents' observation on different web applications. It additionally gives a structure of the components which are taken to evaluate the web banking discernment.

(Hassan *et al.*, 2012) The purpose of this study is to find out the determinants that mainly affect the customer service quality perception of internet banking amongst genders and different age groups. The research found that Web design, security, trust, product diversification, credibility, collaboration, access and communication strongly affect the customer perception about the quality of internet banking service.

Dhrupad, M., *et al* (2014). This examination gives a knowledge of client impression of innovation based financial assistance quality in a creating nation. These components were confirmation, responsiveness, usability, availability, satisfaction, speed and exactness, and contact. The outcomes show that occasional estimations of the degrees of internet banking administration quality should turn into a basic aspect of any bank's exertion and procedure in improving help quality levels.

(Uppal and Kaur, 2008) This paper empirically analyzes the quality of e-banking services in the changing environment. With different statistical tools such as weighted average method and ranking, the paper concludes that most of the customers of e-banks are satisfied with the different e-channels and their services, but the lack of awareness is a major obstacle in the spread of e-banking services.

(Larpsiri *et al.*, 2002). The study aims at web has permitted banks to bring to the table data and administrations to clients whenever the timing is ideal, and numerous Thai banks are following overall patterns in executing web banking. purchasers recommend that while security is a central point repressing more extensive appropriation, it isn't really the key distinctive factor in who will embrace versus who won't. In any case, the bulky cycle of setting up a web account demoralizes many, and the troublesome cycle of adjusting issues diminishes use even among some who utilize the web for exchanges.

Ayden, D. (2014). The point of this examination is to research the client recognition towards the web banking administrations and to recognize the fundamental components influencing the utilization of web banking in Turkey. In any case, the mindfulness factor has no impact on consumer loyalty of web banking. Because of the examination, it is discovered that training levels influence the use of the web banking administrations in Turkey.

RESEARCH METHODOLOGY

Research Methodology is a specific procedure or technique used to identify, select, process and analyze information about a topic. In a research paper, the methodology section allows the reader to evaluate an overall study about the topic. The research methodology helps us to get a solution to a problem. It aims to give the work plan of research.

RESEARCH DESIGN

For the study, the research design employed here was exploratory research design. This type of research is usually conducted to study a problem that has not been clearly defined yet. It has been noted that "exploratory research is the initial research, which forms the basis of more conclusive research. It can even help in determining the research design, sampling methodology and data collection method", exploratory research tends to tackle new problem on which little or no previous research has been done

DATA COLLECTION

a. Primary data

The firsthand information which is being collected by the researcher is called primary data. In this study, the primary data was collected through structured questionnaires with various measures.

b. Secondary data

Besides the primary data, the secondary data was also collected for the study. Websites, books were referred for this purpose from the library to facilitate proper understanding of the study.

DATA COLLECTION METHOD

A structured questionnaire which contains few multiple-choice questions. The questionnaire was divided into various sections like demographic variables, and factors related to Usage of social media and the major field where products are been marketed etc. The five-point Likert scale was selected as the response mode for the questionnaire. For each of the measurements the respondents are asked to tell whether and how strong they agree or disagree with the suggestion that is made. This is done by choosing a number given on a five- point scale. The responses can then be given scores e.g. from 1 to 5 as was done in this research.

Sampling

A structured questionnaire was issued to the general public who uses online banking in their daily life. The researcher employed survey techniques to collect the data. The researcher considered 101 as a sample size. The data collected from the source is exported as excel (.csv file) and interpreted in the systematic manner through Statistical Package for Social Science (SPSS 23.0) for statistical analysis.

STATISTICAL TOOL USED FOR ANALYSIS

The collected data were classified tabulated and analysed with the statistical tools (SPSS) like

- Frequency analysis
- Independent T-test
- One-way ANOVA

FREQUENCY ANALYSIS:

A frequency table is a way of summarising a set of data. It is a record of how much often each value (or set of value) of the variables in question occurs. It may be enhanced by the addition of percentages that fall into each category. A frequency table is used to summarise categorical, nominal and ordinal data. It may also be used to summarise continuous data once the data set has been divided up into sensible groups. When we have more than one categorical variable in our data set, a frequency table is sometimes called a contingency table because the figure found in the rows are contingent upon (dependent upon) those found in the column.

INDEPENDENT T - TEST ANALYSIS:

The Independent Sample t-test compares the means of two independent groups in order to determine whether there is statistical evidence that the associated population means are significantly different. The Independent Sample t-test is a parametric test.

The variables used in this test are known as:

- Dependent variable, or test variable
- Independent variable, or grouping variable

ONE-WAY ANOVA:

In statistics, one-way analysis of variance is a technique used to compare means of three or more samples. This technique can be used only for numerical data. The ANOVA tests the null hypothesis that samples in two or more groups are drawn from populations with the same mean values. The results of a one-way ANOVA can be considered reliable as long as the following assumptions are met

- Response variable residuals are normally distributed
- Samples are independent
- Variables of population are equal
- Responses for a given group are independent and identically normal random variables.

RESULTS

FREQUENCY ANALYSIS

GENDER



Fig.1:

INTERPRETATION

The frequency analysis of Gender of the respondents. From the figure it is clear that the majority of the respondents are female (35.6%) and male respondents are (64.4%).

MARITAL STATUS



Fig.2:

INTERPRETATION

The frequency analysis of Marital Status of the respondents. From the figure it is clear that the majority of the respondents are Unmarried (19.2%) followed by Married (80.2%).

AGE

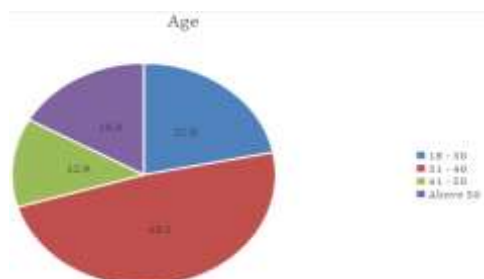


Fig.3:

INTERPRETATION

The frequency analysis of the age group of the respondents. From the figure it is clear that the majority of the respondents are those whose age group lies between 18- 30(21.8%) followed by 31-40(48.5%), followed by 41-50(12.9%) and above >50 (16.8%).

OCCUPATION

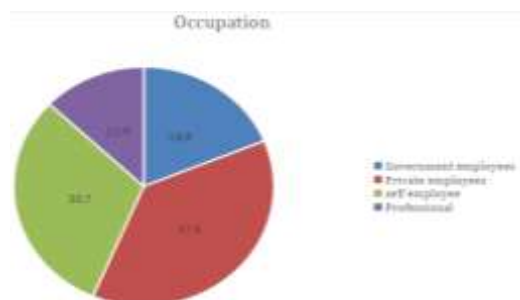


Fig.4:

INTERPRETATION

The frequency analysis of occupation of the respondents. From the figure we understand that the majority of the respondents are Government employees (18.8%) followed by private (37.6%) and followed by Self – employee (30.7%) and Professional (12.9%).

ACADEMIC QUALIFICATION

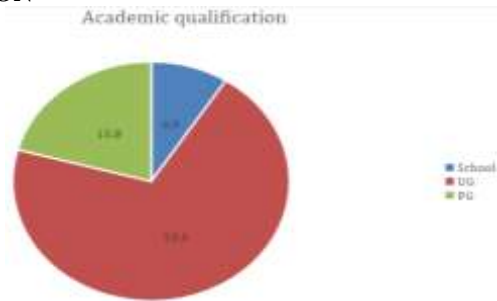


Fig.5:

INTERPRETATION

The frequency analysis of Academic qualification .it is clear from the figure that majority of respondents are school (6.9%) followed ug (53.5%) followed pg (23.8%) followed other (15.8%).It is inferred from the table that majority of respondents.

ANNUAL INCOME

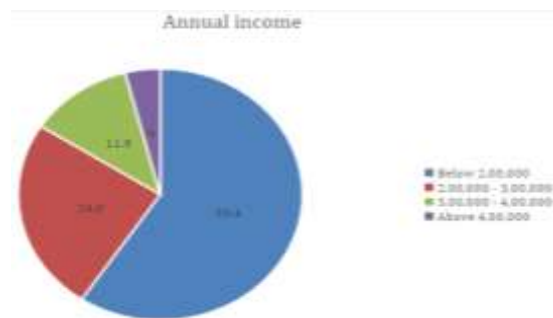


Fig.6:

INTERPRETATION

The frequency analysis of Annual income of the respondents. From the figure we understand that majority of the respondents are Below 200000(59.4%) of annual income level followed by income level of 200000 -300000 (24.8%) followed by income level of 300000 - 400000(11.9%) and Above 400000 (4.0%)

TEST ANALYSIS

GENDER VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

Null Hypothesis: There is no significant difference between the genders with respect Covid19 increase the usage of online banking

Alternative Hypothesis: There is significant difference between the genders with respect to Covid19 increase the usage of online banking

Table 1: GENDER VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

S.NO	FACTOR	T- Value	Significance
1.	covid19 increase the usage of online banking	.751	.454

INTERPRETATION:

The above table 4.7 shows the independent t-test analysis of Gender vs. covid19 Increase the usage of online banking. It is visible that the ‘p’ value (.454) is greater than 0.05 which means that there is no significant difference between the genders with respect to the covid19 Increase the usage of online banking.

Marital status vs. COVID19 INCREASE THE USAGE OF ONLINE BANKING

Null Hypothesis: There is no significance difference among the age with respect to covi19 increase the usage of online banking

Alternative Hypothesis: There is significance difference among the age with respect to covi19 increase the usage of online banking

Table 2: Marital status VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

S.NO	FACTOR	T- Value	Significance
1	COVID19 INCREASE THE USAGE OF ONLINE BANKING	2.062	.042

INTERPRETATION:

The above table 4.8 shows the independent t-test analysis of marital status vs. covid19 Increase the usage of online banking. It is visible that the ‘p’ value (.042) is lesser than 0.05 which means that there is significant difference between the genders with respect to the covid19 Increase the usage of online banking.

ANOVA

AGE vs. COVID19 INCREASE THE USAGE OF ONLINE BANKING

Null Hypothesis: There is no significance difference among the age with respect to covid19 increase the usage of online banking

Alternative Hypothesis: There is significance difference among the age with respect to covid19 increase the usage of online banking

Table 3: AGE VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

S.NO	FACTOR	F- VALUE	SIGNIFICANCE
1	Age vs. covid19 increase the usage of online banking	1.643	.184

INTERPRETATION:

The above table 4.9 shows the one-way anova analysis of age VS Product purchase factor. From the analysis it is clear that the ‘p’ values (.184) which is greater than 0.05. It is interpreted that there is no significance difference among the age with respect to covid19 increase the usage of online banking

ACADEMIC QUALIFICATION vs. COVID19 INCREASE THE USAGE OF ONLINE BANKING

Null Hypothesis: There is no significance difference among the academic qualification with respect to covid19 increase the usage of online banking

Alternative Hypothesis: There is significance difference among the academic qualification with respect to covid19 increase the usage of online banking

Table 4: ACADEMIC QUALIFICATION VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

S.NO	FACTOR	F- VALUE	SIGNIFICANCE
1	academic qualification vs. covid19 increase the usage of online banking	.984	.404

INTERPRETATION:

The above table 4.10 shows the one-way anova analysis of academic qualification VS Product purchase factor. From the analysis it is clear that the ‘p’ values (.404) which is greater than 0.05. It is interpreted that there is no significance difference among the academic qualification with respect to covid19 increase the usage of online banking

OCCUPATION vs. COVID19 INCREASE THE USAGE OF ONLINE BANKING

Null Hypothesis: There is no significance difference among the occupation with respect to covid19 increase the usage of online banking

Alternative Hypothesis: There is significance difference among the occupation with respect to covid19 increase the usage of online banking

Table 5: OCCUPATION VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

S.NO	FACTOR	F- VALUE	SIGNIFICANCE
	occupation vs covid19 increase the usage of online banking	1.446	.234

INTERPRETATION:

The above table 4.11 shows the one-way anova analysis of occupation VS covid19 increase the usage of online banking. From the analysis it is clear that the 'p' values (.234) which is greater than 0.05. It is interpreted that there is no significance difference among the occupation with respect to covid19 increase the usage of online banking

ANNUAL INCOME vs. COVID19 INCREASE THE USAGE OF ONLINE BANKING

Null Hypothesis: There is no significance difference among the annual income with respect to covid19 increase the usage of online banking

Alternative Hypothesis: There is significance difference among the annual income with respect to covid19 increase the usage of online banking

Table 6: ANNUAL INCOME VS COVID19 INCREASE THE USAGE OF ONLINE BANKING

S.NO	FACTOR	F VALUE	SIGNIFICANCE
	annual income vs covid19 increase the usage of online banking	.537	.658

INTERPRETATION:

The above table 4.12 shows the one-way anova analysis of annual income VS covid19 increase the usage of online banking. From the analysis it is clear that the 'p' values (.658) which is greater than 0.05. It is interpreted that there is no significant difference among the annual income with respect to covid19 increase the usage of online banking.

CONCLUSION

The Form of the above analysis it can be concluded that the changes happening in the field of banking services during. This pandemic need to create more awareness among the public and digital platform usage by the public can become a greater solution to the non-flexibility problems. To study the changes happening in the field of banking due to covid19.To analyze customer perception towards the usage online banking during pandemic in. To know their satisfaction and opinion about banking services.

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