Article *ISSN: 2348-3784*

A Study on the Utilisation of Internet Banking

E Meera, K Govindarajan and M Inbalakshmi

Abstract

Banking is one of the oldest professions known to mankind. It is no exception to the rule of nature that change is the only thing permanent in this world. It has undergone many transitions since its inception and internet banking is one of the latest in the list of such transitions. It has helped the transition of traditional banking based on brick and mortar system to click and portal system. So, most of the customers have Internet banking for their banking activities. This paper, therefore, examines the extent of their utilisation of net banking and their awareness towards various services that can be availed through net banking. Analysis of variance is used to test the hypotheses. Results reveal that the demographic factors have a significant role in influencing the awareness and utilisation of certain services on internet banking. Further Mann Whitney U test and Kruskal Wallis test have been used to find out the relationship between the demographic factors and the problems perceived by the respondents in the usage of Internet banking. The results reveal the fact that there is no significant difference between the demographic factors such as age, marital status, education and monthly income and the problems perceived in using internet banking. Thus, banks have to educate them to get rid of their fears over net banking and make the utmost use of the services of internet banking.

Keywords: *Internet Banking, Awareness, Utilisation*

1. Introduction

Internet banking is nothing but banking on the internet-the network of networks. Internet banking is one of the tools of electronic banking (E-Banking) that enabled the customers to bank at their homes round the clock. Thus, Internet banking has enabled the 'AA' (Double A) banking possible, that is anytime and anywhere banking. This service can be availed by the bank customers through their personal computers, laptops or palmtops or mobile phones or any other intelligent device.

Customers of banks include both individuals and corporate. The banking products offered to these two types cannot be the same. Retail and fiduciary products are being offered to

E Meera, Research Scholar in Commerce, G.T.N Arts College, Dindigul, Tamilnadu, India. E-Mail: meera.elango88@gmail.com, Phone: 7418374487

K Govindarajan, Professor, School of Management, SASTRA University, Thanjavur, Tamilnadu, India. E-Mail: kggtn@yahoo.co.in, Phone: 9894360702

Dr. M Inbalakshmi, Associate Professor, G.T.N. Arts College, Dindigul, Tamilnadu, India. E-Mail: inba_gtn@yahoo.co.in, Phone: 9442035617. (Corresponding Author)

individual customers whereas wholesale products are being offered to corporate customers. Thus internet banking also provides products to these customers into two types as i)Personal Banking or Retail Banking; ii) Corporate Banking or Wholesale Banking. Even in corporate banking, some banks provide different products to different entities. For example, State Bank of India provides four different types of products in corporate banking as Vyabaar, Saral, Vistaar, e-VFS/e-DFS.

Internet banking with its strengths has provided opportunities for both the banks and the customers. Internet banking smashed out the geographical and proprietary system barriers and thus enabled banking products to reach more customers thereby touching lives everywhere. The internet banking services are basically divided into two as financial and non-financial services. The financial services include the fund transfers (to own accounts, intra-bank transfers and inter-bank transfers), utility payments (like electricity bill payment, telephone bill payment), tax payments, opening deposits and so on, whereas the non-financial transactions include balance enquiry, quick statement view, downloading statement of accounts, editing the profile, changing the password and the like. This paper, therefore tries to analyze the utilisation level of these services of net banking by the bank customers in Dindigul area.

2. Objectives

- To study the growth of net banking transactions done through NEFT and RTGS in India.
- To study the difficulties faced in utilizing internet banking.
- To study the awareness and utilisation level of bank customers about the net banking services of their banks.
- To offer suitable suggestions for increasing the utilisation level of the customers using net banking.

3. Hypotheses

On the basis of the objectives mentioned above the following hypotheses are framed and tested.

- Utilisation of fund transfer facility has increased considerably.
- There is no significant difference in the mean scales of problems perceived in using internet banking in terms of demographic factors.
- There is no significant relationship between demographic factors and awareness and utilisation of internet banking facilities.

4. Area of the study

The area of the Study is restricted to Dindigul town only. The main scope is to study the utilisation level of customers towards the net banking services of banks. Hence the study

excludes those who do not use net banking. The study is undertaken in the time period between May and July 2013.

5. Literature review

Sathye (1997) reviewed the status of internet banking (IB) in Australia and observed that only two of the 52 banks established in Australia were providing internet banking services. The author also expresses his opinion that education was primary for enlarging internet banking in Australia. Birch and Young (1997) found that E-Banking in Iran has increased more utilisation of ATM in the country. As per the authors' point of view high utilisation of ATM facilities in banking sectors would cause decrease in cash circulation and increase in the efficiency of banking sector. Mols (1999) acknowledged that compared to traditional banking the internet banking reduces much waiting time and a higher spatial convenience. He concludes his study by stating that the internet banking is accepted by bankers and customers as an important technology. Wisner and Corney (2001) emphasized the need for customer feedback systems in internet banking. They identified that the use of comment cards for getting feedback was not popular among the banks surveyed. Also the bank's websites were only slightly better with 48% of the sites allow the customers to give freeform comments, however only two internet banks offered online service quality surveys. Chellappa K (2001) identified four trust elements embedded within the trust model for internet based usage as protection of customers' personal information, verification of the accuracy of the domain name of the actual internet bank, authentication of the merchant and non-repudiation is communicating with the genuine server. Hitt and Frei (2002) tried to explore the differences in the characteristics and behaviours between the customers who use the electronic delivery systems and the other customers who do not use these. They concluded that in spite of the differences in demographic characteristics, account duration and short-run versus long-run profitability, the internet banking customers are more valuable to the banks than the other regular customers. Bradley and Stewart (2003) highlighted key issues in internet banking and bring out the future of internet banking by using Delphi model. They found that 84 per cent of the banks are expected to adopt the internet banking by 2011 and it was also found that the use of internet as a banking medium is going to increase from 11 per cent in 2001 to 23 per cent in 2011. Further the rise in internet banking does not mean the end of the branch banking.

Gerrard and Cunningham (2003) identified eight dimensions which influenced the adoption of internet banking as convenience, accessibility, confidentiality, compatibility, computer competence, economic benefits, social desirability and complexity. Rotchanakitumnuai and Speece (2003) identified the barriers in internet banking for the corporate customers in Thailand under three categories as pertaining to the trust of the system, legal support issue and the organisational barriers. They have suggested that the banks have to work in reducing the barriers in the adoption of internet banking rather than improving the benefits of it. Mattila et.al., (2003) explored the internet banking

adoption among the mature customers who are above 65 years of age in Finland. Their survey results clearly indicated that over half of the mature customers are late adopters in the terms of their net banking adoption. Kim and Prabhakar (2004) found in their study that in internet banking, there is one trustier (the online banker), and two trustees (the internet as a banking medium, and the financial institution offering the internet banking services). They stated that consumer trust, acceptance, and use of online banking technologies are possibly also related to the characteristics of the individual consumer and of the specific technology employed. Lee et.al., (2005) classified the non-adopters of internet banking into 2 types as persistent non-adopters and prospective adopters. Their findings included that the differences found between the current adopters and persistent non-adopters were in terms of perceived service, attributes, perceived risk and compatibility, whereas experience with the computer technology along with compatibility factor make a significant difference between the prospective adopters and the persistent non-adopters. Young De Robert (2005) has developed a business model "internet only" for the banking industry. He observed that the internet banking could ensure high volume and low cost strategy for delivering the basic banking services. Gerrard et.al., (2006) identified eight factors which explained why consumers are not using internet banking. They suggested the banks to consider these eight factors and to take steps accordingly before increasing the number of internet banking users.

Malhotra Pooja and Singh Balwinder (2007) attempted to discover the factors which considerably affect the adoption of internet banking by banks in India. They used logistic regression technique for the analysis. Their results indicated that the rate of adoption of internet banking was high in case of larger banks, banks with younger age and banks with large deposits. Laukkanen Pekka et.al., (2008) divided the non-adopters on net banking into three categories like postponers, opponents and rejecters. They found that the resistance of rejecters was much stronger than the other two categories. The postponers show only slight resistance. They intended to adopt internet banking within a year. Maenpaa et.al., (2008) reported differences in perception and behaviour among novice, moderate and expert users in the context of internet banking. The results revealed that novice users value and would utilize service dimensions like auxiliary features and personal finances to support and facilitate their daily actions in internet banking. Wang and Pho (2009) attempted to identify the determinants of customer intention to use online banking and found that brand credibility also positively affected customer intention. Incorporating complimentary relationship into the website quality model; this study provides a new model for measuring website quality in online banking. Jeevan (2010) observed that changes in technology, competition and lifestyles had changed the face of banking and banks in the present environment are looking for alternative ways like internet banking to provide differentiated services. He also found that online banking has come out as a significant strategy for banks to attract and retain customers. The results of the survey done by Chandra and Sharma (2010) revealed that only 43% of the banks had posted their privacy policies on their websites and there is no common standard format for privacy policy in India. They concluded that it would be very helpful

for internet banking customers, if there is any authority to monitor and control the proper format and points included in the privacy policies for banks. Zahid Nauman et.al., (2010) found that perceived usefulness was significantly related with acceptance of online banking while the other two such as privacy and security, and quality of internet services were insignificantly related to it. Further speed and reliability of the internet connection were not regarded as important by the respondents. Devi and Malarvizhi (2010) identified six factors as influencing factors of the adoption of E-Banking. The factors include consumers' satisfaction, problems encountered by them, reliability on banks, bank's efficiency in delivering the services, the negative factor on E-Banking usages which include high hidden cost and the accessibility.

6. Research Methodology

This study is based on both primary data and secondary data. The secondary data were collected from journals and websites. The primary data were collected from 150 respondents who are using the net banking services. The researcher has adopted the convenient sampling method and used an interview schedule for collecting this data. The respondents include customers using the net banking services of public sector banks, old private sector banks and new private sector banks. The following statistical techniques were used for analysis.

- Percentage Analysis
- Mann Whitney U Test
- Kruskal Wallis Test
- Analysis of Variance (ANOVA)

7. Limitation of the Study

The Study is based on the non-random sampling method. A sample of only 150 respondents was taken from the town of Dindigul. Since the sample size of this study is limited, the results of this study may not be applicable to the entire universe.

8. Growth of NEFT and RTGS Services

The funds transfer facility of Internet Banking is enabled through two channels like NEFT (National Electronic Funds Transfer) and RTGS (Real Time Gross Settlement). The NEFT enables funds transfers across different accounts in batches on different basis by netting debits with credits. As on May 31, 2013, 146 branches of different banks are covered through NEFT. On the other hand, RTGS enables funds transfers in real time, without netting of debits and credits. The settlements are done one-by-one, transaction-by-transaction individually. At present, more than 74,000 branches at more than 20,000 places are covered under RTGS system.

Objective 1: To study the growth of net banking transactions done through NEFT and RTGS in India.

The growth in the number of transactions done through NEFT and RTGS during the last 5 years is remarkable. The following table 8.1 exhibits the growth in the volume of NEFT and RTGS for the past 5 years.

Table 1: NEFT and RTGS transactions in India

YEARS	NEFT		RTGS	
	Volume of trade (In Million)	Value of transaction (In Billion)	Volume of trade (In Million)	Value of transaction (In Billion)
2008-09	32.16	2519.56	11.94	273653
2009-10	66.34	4095.07	31.26	365216
2010-11	132.34	9391.49	49.25	484874
2011-12	226.11	17903.50	55.05	539308
2012-13	394.13	29022.42	68.52	576490

Source: Reserve Bank of India http://www.rbi.org.in/scripts/NEFTView.aspx Bank wise volumes in ECS/NEFT/RTGS/Mobile Transactions – from August 2008 to March 2013

From table No 1 we can certainly conclude that there is manifold increase in the usage of Internet Banking in our country. As regards volume of trade done through NEFT it had gone up by 1125.52% and through RTGS by 573.76% in the year 2012-13 compared to 2008-09. Just like volume of trade, value of transactions done through RTGS and NEFT has increased considerably. Fund transfer facility is fully utilized through NEFT and RTGS. As a result of this both bankers and customers are benefited. From the point of bankers the cost of operation has come down and they are providing this facility free of cost. From the point of customers cash float is practically negligible and there is also saving in time spent in visiting branches.

9. Results and Discussion

In table 2, the demographic characters of the sample respondents are presented.

It can be inferred from table 2 that out of 150 sample respondents, 46.67% are in the age group of 25 to 40 years and 76% of the respondents are males and majority are married. Further sample data also represents people with different income groups, qualifications and also varieties of occupation.

Internet banking facility is utilized for different purposes. For operating internet banking facility, people must be familiar with internet operations and they must be ready to move on to the modern technology. In table 3, period of operation of internet banking is presented.

From table 3 it is manifest that, self initiative plays a vital role in moving towards internet banking and 88% of the sample population is using internet banking facility for the past five years. A majority of the respondents are able to get internet banking connection

without much waiting time and they prefer to operate the banking operation through their own computers. The table also reveals that only 8% of the sample respondents are having account in old private sector banks.

In internet banking, the login id and password are essential for entering into the bank's website. In addition to this are requires transaction password for transfer of funds. Further certain banks insist customers to change their password once in three months. If customers fail to change their password, the internet banking operation may be withheld. In table no 4, the difficulties expressed by the respondents with password and login id are presented.

Table 2: Demographic characters

Particulars		Total Users	
Valid		Frequency	Percentage
Age	Below 25 years	22	14.66
	25 to 40 years	70	46.67
	Above 40 years	58	38.67
	Total	150	100.00
Gender	Males	114	76.00
	Females	36	24.00
	Total	150	100.00
Marital Status	Married	104	69.33
	Unmarried	46	30.67
	Total	150	100.00
Education	HSC	8	5.33
	UG	52	34.67
	PG	64	42.67
	Diploma	12	8.00
	Professional	14	9.33
	Total	150	100.00
Occupation	Students	6	4.00
	Private Employees	26	17.33
	Government Employees	44	29.33
	Business	26	17.33
	Professional	44	29.34
	House Wives	4	2.67
	Total	150	100.00
Monthly Income	Below ₹ 20,000	42	28.00
	₹20,000 to ₹ 50,000	68	45.33
	Above ₹ 50,000	40	26.67
	Total	150	100.00

Source: Primary Data

Table 3: Period of using banking operations

Particulars		Total Users	
Valid		Frequency	Percentage
Name of the Bank	Nationalised Banks	54	36.00
	State Bank Group	42	28.00
	Old Private Sector	12	8.00
	New Private Sector	42	28.00
	Total	150	100.00
Duration of A/C maintenance	Upto 5 Years	82	54.67
	5 to 10 Years	40	26.67
	Above 10 Years	28	18.66
	Total	150	100.00
Period of Using Internet Banking	Upto 5 Years	112	74.66
	5 to 10 Years	34	22.67
	Above 10 Years	4	2.67
	Total	150	100.00
Waiting Time after applying	Less than 3 days	68	45.33
	3 to 7 days	46	30.67
	8 to 30 days	32	21.33
	More than 30 days	4	2.67
	Total	150	100.00
Adoption of Net banking	Bank's Advertisements	10	6.67
	Self initialisation	92	61.33
	Friend's recommendation	14	9.33
	Bank's recommendation	30	20.00
	Relative Recommendation	4	2.67
	Total	150	100.00
Access Net banking	Own Personal Computer	100	66.67
	System at office	44	29.33
	Mobile phones	4	2.67
	Cafes	2	1.33
	Total	150	100.00

Source: Primary Data

From table 4 it could be seen that, a majority of the respondents do not have difficulty in remembering the password and due to secrecy they do not want to store in mobiles and in diaries. Hence the hypothesis framed is rejected. Further majority of the respondents are aware of changing password, method of action to be taken in case of forgetting password, login id and charges for regenerating password. Hardly below 10% of the sample is population ignorant of the action to be taken in case of forgetting the login id and password.

Internet banking facility can be utilized for various purposes. In table 5 purposes for which internet banking is utilized are presented.

Table 4: Difficulties relating to password

Particulars		Total Users	
Valid		Frequency	Percentage
Difficulty in remembering password	Difficulty	32	21.33
	No difficulty	118	78.67
	Total	150	100.00
Storage of Password	Memory	84	56.00
	Mobiles with security lock	26	17.33
	Mobiles without security lock	6	4.00
	Diary	34	22.67
	Total	150	100.00
Aware of changing password	Aware	114	76.00
	Not Aware	36	24.00
	Total	150	100.00
Difficulty in changing password	Difficulty	28	18.67
	No difficulty	122	81.33
	Total	150	100.00
Action to be taken in case of forgot password	Using "Forgot Password" button	94	62.67
	Visiting the branch	42	28.00
	Do not know	14	9.33
	Total	150	100.00
Action to be taken in case of forgot login ID	Re-register online	46	30.67
	Re-register through personal visit	92	61.33
	Do not know	12	8.00
	Total	150	100.00
Charges for re-generating password/ID	Charges are there	10	6.67
	No Charges	90	60.00
	Do not know	50	33.33
	Total	150	100.00

Source: Primary Data

The data presented above shows that nearly 50% of the sample population are utilizing internet banking for balance enquiry, for viewing the statement of account and for transfer of funds. As regards quick statement 33.67% of the respondents are not using it. As regards utility payments 45% of the respondents are using it for payment of electricity bill and telephone bills. It shows clearly that majority of the people prefer conventional system for making payments.

Table 5: Purpose of using net banking (In a month)

Particulars		Total Users	
Valid		Frequency	Percentage
Balance Enquiry	Less than 5 times	72	48.00
	5 to 10 times	20	13.33
	More than 10 times	54	36.00
	Not Using	4	2.67
	Total	150	100.00
Statement of Accounts	Less than 5 times	90	60.00
	5 to 10 times	12	8.00
	More than 10 times	18	12.00
	Not Using	30	20.00
	Total	150	100.00
Quick Statement View	Less than 5 times	50	33.33
	5 to 10 times	16	10.67
	More than 10 times	34	22.66
	Not Using	50	33.33
	Total	150	100.00
Funds Transfer-Within Banks	Less than 5 times	76	50.67
	5 to 10 times	36	24.00
	Not Using	38	25.33
	Total	150	100.00
Funds Transfer-Other Banks	Less than 5 times	68	45.33
	5 to 10 times	30	20.00
	Not Using	52	34.67
	Total	150	100.00
Utility Payments: EB Payment	Once in Two Months	68	45.33
	Not Using	82	54.67
	Total	150	100.00
Telephone Bill Payment	Once in a month	68	45.34
	Not Using	82	54.66
	Total	150	100.00
Railway Ticket Booking	Once in a month	80	53.33
	1 to 5 times	10	6.67
	Not Using	60	40.00
	Total	150	100.00
Insurance Premium	Once in a year	46	30.67
	1 to 5 times in a year	6	4.00
	Not Using	98	65.33
	Total	150	100.00
Institutional Fees	Less than 5 times	14	9.33
	Not Using	136	90.67
	Total	150	100.00
Online Shopping	Less than 5 times	46	30.67
	5 to 10 times	2	1.33
	Not Using	102	68.00
	Total	150	100.00
Mobile Recharge	Less than 5 times	14	9.33
	More than 10 times	2	1.33
	Not Using	134	89.33
	Total	150	100.00
DTH Recharge	Less than 5 times	12	8.00
	Not Using	138	92.00
	Total	150	100.00
Bus and Movie Tickets	Less than 5 times	6	4.00
	Not Using	144	96.00
	Total	150	100.00

Source: Primary Data

Booking railway ticket seems to be popular through online. More than 50% of the respondents are using internet banking facility for booking railway ticket. Only 33% of the respondents are using Internet Banking facility for payment of insurance premium and for online shopping majority of persons are not using internet banking facility.

Objective 2: To study the difficulties faced in utilizing internet banking

Moving from conventional banking to technology based banking calls for acceptance and faith in the new system. If customers are having some apprehension about the new system then it can never be successful. The problems that are faced by the respondents in internet banking are taken as lack of trust in the bank's website and security, less personal contact, fear of hidden costs, fraudulent activities by employees, high charges for transferring funds, legal risks, security problem, server being too busy, Problem in transferring funds beyond business hours and fear of loss of vital data when the bank's server crashes. The respondents are asked to rank these problems and the scores so obtained are added up. To find out the relationship between the demographic factors and problems perceived by the respondents, the Mann Whitney U test and Kruskal Wallis test are used. In table no 6 the relationship between the demographic factors and problems perceived are presented.

Table 6: Relationship between demographic factors and problems perceived in internet banking

Demographic Factors	Significance at 5% Level *p* value	
	Mann Whitney Test	Kruskal Wallis Test
Age	-	0.112(NS)
Gender	0.000(S)	-
Marital Status	0.758(NS)	-
Education	-	0.253(NS)
Occupation	-	0.000(S)
Monthly Income	-	0.845(NS)

Source: Primary Data. S – Significant (p value is less than 0.05), NS – Not Significant (p value is more than 0.05)

From table 6, one can form an opinion that, there is no significant difference between the demographic factors such as age, marital status, education and monthly income and the problems perceived in using internet banking. At the same time, there is quite a significant difference between two demographic factors such as gender and occupation and the problems perceived by them. Thus the null hypothesis "There is no significant difference between age, marital status, education and monthly income and the problems perceived in using internet banking" is accepted, whereas the null hypothesis "There is no significant difference between gender and occupation and the problems perceived in using internet banking" is rejected.

The main feature of internet banking is the transferring funds instantly to other accounts either under NEFT or under RTGS. But there are problems in transferring funds beyond

business hours. As per RBI guidelines, the NEFT settlement timings are between 8 a.m and 7 p.m on week days and between 8 a.m and 1 p.m on Saturdays, whereas the RTGS settlements timings are available between 9 a.m and 4.30 p.m on weekdays and between 9 a.m and 1.30 p.m on Saturdays. But, banks follow their own timings where the starting and ending times for NEFT and RTGS differ from that of RBI. In the website of Indian bank, the NEFT closing time on Saturdays is specified at 1.00 p.m whereas it closes at 12.30 p.m itself. Thus if a fund is transferred (NEFT) at 4 p.m on Saturday, it reaches the beneficiary only after 40 hours. The worst is the case with the Indian bank net banking. This bank's net banking does not permit even to schedule transfers beyond the business hours. For example, if the option of fund transfer is chosen after 12.30 p.m in Saturdays, it just reports that it cannot be affected since business hour is closed.

Objective 3: To study the awareness and utilisation level of bank customers about the net banking services of their banks

In table 7 the demographic factors age, education, occupation and income are related with awareness and utilisation of internet banking by using One-Way Analysis of Variance.

The significance is tested at 5 per cent level. From the above Table 7, one can infer that, there is a significant role of the age factor in the awareness and utilisation of certain services like change password, tax payments, downloading statement of accounts, making NEFT and RTGS settlements, suspending debit cards, availing demat facility, opening term deposits, viewing the login history, stopping the cheque payment, enquiring about the NEFT/RTGS transfers made and exercising the option of forgot password. At the same time, the age factor does not play a significant role in the awareness and utilisation of other services.

In the case of gender, it has a significant role in the awareness and utilisation of one service of internet banking that is downloading the statement of accounts. But it has no significant role in the awareness and utilisation of all the other services of internet banking.

The next demographic factor called the marital status plays a vital role in the awareness and utilisation of changing password and downloading statement of accounts. But it has no role in the awareness and utilisation of other services.

The ANOVA explaining the relationship between the remaining three demographic factors (education, occupation and monthly income) and awareness and utilisation of internet banking services are presented in the following Table 8.

Table 8 shows that, the educational level of the respondents has a significant role in the awareness and utilisation of services like viewing quick statement, making tax payments,

using virtual keyboard, opening term deposits, and stopping the cheque payments. But it has no important role in the awareness and utilisation of other services.

Table 7: Three demographic factors (age, gender and marital status) and awareness and utilisation of internet banking services –Analysis of Variance (One Way)

Available Facilities	Calculated Significance (Significance at 5% Level) *p* value					
	Age		Gender		Marital Status	
	F Value	*p value*	F Value	*p value*	F Value	*p value*
Balance Enquiry facility	2.376	0.097(NS)	1.292	0.258(NS)	0.716	0.399(NS)
Quick Statement View	0.518	0.597(NS)	1.866	0.174(NS)	0.437	0.510(NS)
Change Password	5.377	0.006(S)	0.139	0.710(NS)	4.984	0.027(S)
Edit Profile	0.682	0.507(NS)	0.975	0.325(NS)	1.140	0.287(NS)
Fund Transfer – Within Banks	0.689	0.504(NS)	0.001	0.977(NS)	1.077	0.301(NS)
Fund Transfer – Other Banks	1.229	0.296(NS)	0.126	0.723(NS)	0.031	0.860(NS)
Utility Payments	1.636	0.198(NS)	0.719	0.398(NS)	1.704	0.194(NS)
Tax Payments	4.336	0.015(S)	2.903	0.091(NS)	0.550	0.459(NS)
Statement of Accounts	3.303	0.040(S)	6.626	0.011(S)	4.779	0.030(S)
NEFT Settlement	5.988	0.003(S)	1.344	0.248(NS)	0.001	0.982(NS)
RTGS Settlement	3.515	0.032(S)	0.283	0.596(NS)	0.337	0.562(NS)
Credit Card Payment	0.344	0.709(NS)	0.073	0.787(NS)	0.607	0.437(NS)
Suspend Debit Cards	11.335	0.000(S)	0.104	0.748(NS)	1.032	0.311(NS)
Demat Facility	6.755	0.002(S)	1.344	0.248(NS)	1.306	0.255(NS)
Virtual Keyboard	1.676	0.191(NS)	2.116	0.148(NS)	0.088	0.767(NS)
Online Shopping	1.485	0.230(NS)	0.392	0.532(NS)	1.905	0.170(NS)
Opening Term Deposits	10.403	0.000(S)	0.096	0.757(NS)	0.260	0.611(NS)
Login History	15.774	0.000(S)	0.028	0.866(NS)	1.308	0.255(NS)
Cheque Status Enquiry	2.693	0.071(NS)	3.754	0.055(NS)	0.997	0.320(NS)
Stop Cheque Payment	3.462	0.034(S)	1.072	0.302(NS)	0.017	0.896(NS)
NEFT/RTGS Enquiry	3.931	0.022(S)	0.013	0.908(NS)	1.447	0.231(NS)
Pension Enquiry	2.452	0.090(NS)	0.421	0.518(NS)	1.780	0.184(NS)
Forgot Password	3.384	0.037(S)	0.355	0.552(NS)	0.304	0.582(NS)
Donations	2.372	0.097(NS)	0.129	0.720(NS)	1.001	0.319(NS)

Source: Primary Data. S – Significant (p value is less than 0.05), NS – Not Significant (p value is more than 0.05)

The occupational status of the respondents has a significant role to play in the awareness and utilisation of balance enquiry facility, quick statement view, making intra and inter-Bank fund transfers, making utility payments, downloading statement of accounts, effecting NEFT and RTGS settlements, downloading statement of accounts, demat facility, suspending debit cards online, opening term deposits, making cheque status and

NEFT/RTGS enquiry. But it has no significant influence on the awareness and utilisation of other services.

Table 8: Demographic factors (education, occupation and monthly income) and awareness and utilisation of internet banking services –Analysis of Variance (One Way)

Available Facilities	Calculated Significance (Significance at 5% Level) *p* value					
	Education		Occupation		Monthly Income	
	F Value	*p value*	F Value	*p value*	F Value	*p value*
Balance Enquiry facility	0.308	0.873(NS)	4.329	0.001(S)	1.711	0.184(NS)
Quick Statement View	3.757	0.006(S)	3.855	0.003(S)	3.199	0.044(S)
Change Password	0.647	0.630(NS)	0.937	0.459(NS)	0.767	0.466(NS)
Edit Profile	1.538	0.194(NS)	1.417	0.222(NS)	0.807	0.448(NS)
Fund Transfer – Within Banks	0.925	0.451(NS)	5.312	0.000(S)	0.299	0.742(NS)
Fund Transfer – Other Banks	1.421	0.230(NS)	3.230	0.009(S)	3.366	0.037(S)
Utility Payments	0.923	0.452(NS)	3.271	0.008(S)	10.057	0.000(S)
Tax Payments	5.457	0.000(S)	1.935	0.092(NS)	2.829	0.062(NS)
Statement of Accounts	1.880	0.117(NS)	6.861	0.000(S)	6.283	0.002(S)
NEFT Settlement	1.451	0.220(NS)	4.032	0.002(S)	3.724	0.026(S)
RTGS Settlement	2.047	0.091(NS)	4.338	0.001(S)	3.884	0.023(S)
Credit Card Payment	1.852	0.122(NS)	1.772	0.122(NS)	1.777	0.173(NS)
Suspend Debit Cards	0.337	0.853(NS)	2.720	0.022(S)	0.408	0.666(NS)
Demat Facility	1.065	0.376(NS)	2.581	0.029(S)	0.785	0.458(NS)
Virtual Keyboard	2.547	0.042(S)	1.562	0.174(NS)	1.357	0.261(NS)
Online Shopping	0.603	0.661(NS)	1.713	0.135(NS)	1.562	0.213(NS)
Opening Term Deposits	2.706	0.033(S)	4.212	0.001(S)	3.462	0.034(S)
Login History	2.003	0.097(NS)	2.098	0.069(NS)	1.266	0.285(NS)
Cheque Status Enquiry	0.662	0.619(NS)	3.654	0.004(S)	5.418	0.005(S)
Stop Cheque Payment	2.772	0.029(S)	1.556	0.176(NS)	0.511	0.601(NS)
NEFT/RTGS Enquiry	2.013	0.096(NS)	3.620	0.004(S)	1.462	0.235(NS)
Pension Enquiry	0.774	0.544(NS)	2.075	0.072(NS)	0.999	0.371(NS)
Forgot Password	1.520	0.199(NS)	1.946	0.090(NS)	1.518	0.223(NS)
Donations	1.059	0.379(NS)	1.330	0.255(NS)	4.269	0.016(S)

Source: Primary Data. S – Significant (p value is less than 0.05), NS – Not Significant (p value is more than 0.05)

There is a considerable role of the respondents' family monthly income in the awareness and utilisation of services like quick statement view, inter-Bank fund transfers, making utility payments, downloading statement of accounts, effecting NEFT and RTGS settlements, opening term deposits, cheque status enquiry and making donations. But it has no noteworthy role to play in the awareness and utilisation of other services.

10. Conclusion

Internet banking helps people to do banking operations at home itself rather than visiting banking premises. Bankers are concerned with in internet banking so that they can reduce the cost of operation. The Government is also interested in popularizing internet banking so as to reduce physical cash movement and thus saving the cost of printing currency notes. From the point of banking customers, it is time saving and user friendly. In India, one can witness tremendous growth in the utilisation of funds transfer facility through NEFT and RTGS in the year 2012-13 compared to 2008-09. As regards utilisation of internet banking, more than 50% of the people are utilising for ticket booking for railways. It is also noted that there is less utilisation for other utility payments. People are quite comfortable with the login id and password and majority of them are not having any difficulty in remembering or changing the password. 44% of the respondents have revealed the places where they store their passwords. This may be a clue for the hackers to steal their passwords. So the bankers may advice their customers not to disclose even the place where they store their password. There is no significant difference between the demographic factors such as age, marital status, education and monthly income and the problems perceived in using internet banking. While at the same time, there is quite a significant difference between two demographic factors such as gender and occupation and the problems perceived by them. The ANOVA tests show that the demographic factors have significant role to play on the awareness and utilisation of certain services of internet banking.

11. Managerial Implications

Bankers must educate the customers about the security aspects so that they can remove the fear in the minds of the customers. Further, the banks must create awareness about various services available in internet banking for increasing the utilisation level of these services by the internet banking users. For this they may frequently send messages about the services by e-mails and sms. They may also conduct "Internet Banking Awareness Week" or "Internet Banking Awareness Camp" at banks' premises or at important public places for popularizing the services. They can enter into partnerships with various organisations like Airlines, Online shopping stores etc, to encourage payment through net banking. Taking these steps in promoting the utilisation of internet banking services can cost much to the banks. But this additional cost is to be borne by the banks only at the beginning of these steps. After therefore, they can manage these costs by increasing the customer base. The Government can take steps in increasing the usage of internet banking by making mandatory e-payments as in the case of payment of excise duty and

service tax and income tax for companies. This scope can be further widened to other tax payers also. To reduce the circulation of physical currency, the Government can make use of internet banking for increasing the electronic payments. To popularize internet banking for meeting utility bills, vendors can provide some discount if payment is made through internet.

12. Suggestions for future Research

Future research can be done taking a comparative study on internet banking of public sector and private sector banks with various demographic distinction features, like young users and old-aged users and so on. Awareness and utilisation of alternative delivery channels of electronic banking and barriers in the adoption of electronic banking can be looked into.

References

Birch, D., & Young, M. (1997). Financial Services and the Internet: What Does the Cyberspace Mean for the Financial Services Industry? *Internet Research: Electronic Networking Applications and Policy*, *7*(2), 120-128.

Bradley, L., & Stewart, K. (2003). A Delphi Study of Internet Banking. *Marketing Intelligence and Planning*, *21*(5), 272-281, ISSN 0263-4503.

Chandra, A., & Sharma, V. (2010). Analytical Research on Indian Online Banking and Users' Privacy. *Global Journal of Enterprise Information System*, *2*(I)

Chellappa, K. (2001). *Contrasting Classical Electronic Infrastructure and the Internet: A Tale of Caution*. [Research Paper]. Marshall School of Business, University of Southern California, Los Angeles.

Devi A. P., & Malarvizhi, V. (2010). Customers' perception of E-Banking: Factor Analysis. *IUP Journal of Management Research*. 9(6).

Gerrard, P. & Cunningham B. J. (2003). The diffusion of Internet Banking among Singapore Customers. *International Journal of Bank Marketing*, *21*(1), 16-28

Gerrard P., Cunningham B. J., & Devlin J. F. (2006). Why Consumers are not Using Internet Banking? A Qualitative Study. *Journal of Service Marketing*, *20*(3), 160-168

Hitt L. M., & Frei F. X. (2002). Do Better Customers Utilise Electronic Distribution Channels? The Case of PC Banking. *Management Science*, *48*(6), 732-748.

Jeevan, M. T. (2010), *Only Banks - No Bricks, Voice and Data.* Retrieved from website http://www.voicendata.com/content/convergence/trends/100111102.asp. (20 Sept, 2010).

Kim, K., & Prabhakar, B. (2004), Initial trust and the adoption of B2C e-commerce: The case of Internet Banking. *Database for Advances in Information Systems. 35*(2), 50-64.

Laukkanen, P., Sinkkonen, S., & Laukkanen, T. (2008). Consumer Resistance to Internet Banking: Postponers, Opponents and Rejectors. *International Journal of Bank Marketing. 26*(6), 440-455.

Lee, E. J., Kwon, K. N., & Schumann, D. W. (2005). Segmenting the Non-adopter Category in the Diffusion of Internet Banking. *International Journal of Bank Marketing*. *23*(5), 417-437.

Maenpaa, K., Kale, H., Sudhir, K. H., & Mesiranta, N. (2008). Consumer perceptions of Internet Banking in Finland: The moderating role of familiarity. Retreived from website: http://epublications.bond.edu.au/business_pubs/89.

Malhotra, P., & Singh, B. (2007). Determinants of Internet Banking Adoption by Banks in India. *Internet Research*, *17*(3), 323-339.

Mattila M., Karjaluoto, H., & Pento, T. (2003). Internet Banking Adoption among Mature Customers: Early majorityor laggards? *Journal of Services Marketing*, *17*(5), 514-528.

Mols, N. P. (1999). The Internet and banks' strategic distribution channel decision. *International Journal of Bank marketing*, *17*(6), 295-300.

Rotchanakitumnuai, S., & Speece, M. (2003). Barriers to Internet Banking: A Qualitative Study among Corporate Customers in Thailand. *International Journal of Bank Marketing.* 21(6/7), 312-323.

Sathye, M. (1997). Internet Banking in Australia. *Journal of Internet Banking and Commerce.* 2(4).

Wang, J. S., & Pho, T. S. (2009). Drivers of Customer Intention to use Online Banking: An Empirical Study in Vietnam. *African Journal of Business Management. 3*(11), 669-677.

Wisner D. J., & Corney, J. W. (2001). Comparing Practices for Capturing Bank Customer Feedback – Internet Versus Traditional Banking. *Benchmarking: An International Journal, 8*(3), 240-250, MCB University Press.

Young, D. R. (2005). The performance of Internet-Based Business Models: Evidence from the Banking Industry. *Journal of Business*, *78*(3), University of Chicago Press.

Zahid, N., Mujtaba, A., & Riaz, A. (2010). Consumer Acceptance of Online Banking. *European Journal of Economics, Finance and Administrative Sciences 27*(1), 2010.