

An Empirical Study on Customers' Extensive Usage of Netbanking Facility in Gobichettipalayam, Erode District

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ABSTRACT

Indian economy is moving towards the cash less transaction. The world of cashlessness is possible through digital banking. Subsequently, steps towards demonetization of the economy has resulted in tremendous growth in digital transactions in India. The government has encouraged more transparency in transactions and increased internet facilities towards empowering the country's economy. The government's focus on cashless transactions and globalization has forced to adopt digital banking, but, there still is apprehensions on the users. This study focuses on customer's perceptive on adaptability to these revolutionary changes in banking. A primary survey was conducted using a structured questionnaire on the 100 respondents in Coimbatore, district in Tamil Nadu. The collected data through the questionnaire were analyzed statistically by using chi square technique. The results indicate that the motivations for adopting digital banking have association with income levels of the consumer usage of digital banking. The attitude towards the banks' digital usage was mainly determined by easy usage, time saving, banking services, the reliability and security and safety of transaction accounted 68 percent. The study finally analyses the satisfaction level of the consumers using digital banking services. The main factors which determine customer satisfaction in digital banking are safety, accessibility, risk and safety level, easy reach of service, amenable service. There is a significant relationship among customer experience, satisfaction and loyalty, which is related to banking performance. The study establishes the fact that customers are in the process of getting accustomed with digital banking and that despite all the challenges, their perception towards digitalization is fast changing.

Keywords: Customers' Perception, Digital Banking, Adaptability, usage, Consumer motivations, Customers' satisfaction.

INTRODUCTION

Digitalisation of banking services is a move towards providing banking services online which offers a lot of advantages to the banks involved as well as to its customers. The shift from traditional to digital banking is, to an extent, measured as the degree of civilisation.

Financial liberalisation and technological revolution have allowed the developments of new and more efficient delivery and processing channels as well as more innovative products and services in banking industry. Many banks, today, have digitalized their services and have offered more convenience to their customers in accessing them. Customer retention and satisfaction have been their focus, of late. The acceptance of online has become challenging in rural part of the country where people need awareness and need to be more educated in availing the facilities.

Recognition to electronic transactions is provided by the Government of India as per its Information Technology Act, 2000. The Reserve Bank of India regulates and supervises all the transactions put through, electronically. The RBI has also issued its guiding principles with regard to risk and exercised control on the computer and telecommunication system.

Jackfen S and Nattika (2016), bankers consider 'minimizes inconvenience', 'minimizes cost of transactions' and 'time saving' to be important benefits and 'chances of government access', 'chances



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