

## **CYBER-BANKING**

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### **ABSTRACT**

*The financial sector is the backbone of each economy. The readiness of the financial sector to adopt the objectives of economic and social development and to create a bigger quality of resources to fulfill the rising challenges of the economy could be a necessary condition of development. The financial sector includes Capital sector, Insurance and industry and contributes over 25% in the growth of the economy. The overall development of any economy depends more on a sound banking sector and India is also not an exception in this case. The present paper is an attempt to understand the satisfaction of users for input/output functions as well as bill payment services offered by different private as well as public sector banks.*

**KEYWORDS:** *Banking Sector, Bill Payment, Input/output Functions, Satisfaction*

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### **INTRODUCTION**

Cyber-banking vis-à-vis virtual banking/ online banking serves its customer with internet mode of delivery in order to offer a plethora of banking facilities. Three-tier services include:

- **Level 1:** It includes service rendered with the help of websites or query resolution through e-mails.
- **Level 2:** User may resolve queries pertaining to different applications through web-based applications.
- **Level 3:** Fund transfer, Bill payments, and alike services are categorized as Level 3

Further, it has been found that banking websites are of the following types:

- **Informational Websites:** Basic information pertaining to banking products as well as services
- **Transactional Websites:** Varied transactions can be easily completed through them.

### **Importance**

#### **Customer**

- Increased accessibility
- Beyond geographical boundaries
- Cost and time savvy.

### Bank

- Reduction of cost
- Less tendency of human error
- Paperless
- Customer loyalty

### Business

- Faster account assessment
- Lessening of error as well as cost
- Enhancement of productivity

### Cyber Banking in India

ICICI was the first bank to introduce such services in India. The basket of services offered by different banks includes ATMs, Electronic Clearing service, Smart Cards, Internet Banking, Tele-Banking, Electronic Funds Transfer, etc.

### REVIEW OF LITERATURE

Joseph et al. (1999) investigated the influence of the internet on the delivery of banking services. They found six underlying dimensions of e-banking service quality like convenience and accuracy, feedback and criticism management. They additionally prompt that some dimensions like responsiveness, dependableness, and access are crucial for each ancient and internet banks. Nupur, J.M. (2010) conducted this analysis to know the impact of variables of e-Banking on customer satisfaction in the People's Republic of Bangladesh. The study amount was from 2006 to November 2009 as a result of customers enjoyed the e-Banking services freshly throughout this era. 5 service quality dimensions specifically dependableness, responsiveness, assurance, empathy, and tangibles had been established supported the SERVQUAL model. These variables had been tested in e-Banking to explore the connection between service quality and also customer satisfaction. The information was gathered through a survey interview by a structured form with 250 customers. The study showed that these factors were the core service quality dimensions for customer satisfaction in e-Banking. The study additionally explored that reliability; responsiveness and assurance had a lot of contribution to satisfy the shoppers of e-Banking in the People's Republic of Bangladesh. Juneja,

A. (2013) conducted a descriptive study in Punjab so as to evaluate whether or not the shoppers were satisfied with the efforts of the banks. Primary knowledge was collected on a random sample of three hundred bank customers of 3 bank teams i.e. public sector, private sector, and foreign banks. Proportion applied math technique was used for the analysis of information regarding customer's perception towards e-Banking. The results disclosed that the majority of the bank customers were satisfied with the functioning of e- delivery channels and that they believed that the banks weren't charging any unreasonable fee for these e-delivery channels. Also, the bank customers thought that the e-Banking system was more facilitative and economical than the manual system. Overall, e-Banking system was pleasant expertise for all.. Vimala V (2016) evaluated the Indian bank, Coimbatore measures to yield customer their benefits. Sinha R (2016) researched the penetration level of different banking facilities offered by banks.

## RESEARCH METHODOLOGY

The present study undertakes different public sector banks i.e. SBI, PNB, OBC, Union Bank of India, Bank of Baroda as well as private sector banks i.e. Axis, ICICI, HDFC, Federal Bank and Kotak Mahindra Bank with the respondents (10 users from each bank) from Mohali, Punjab. Different parameters pertaining to satisfaction from the quality of Inputs/Outputs of cyber-banking and bill payment services. The data consisting of scores on bank customers' perceptions are processed applied statistically within the following order by victimization the subsequent statistical techniques: Weighted Average Score, expectation, variance, constant of Variation, Percentage, Chi-Square worth, constant of Contingency, t-Value and F- value.

### Data Interpretation

**Table 1: Satisfaction from Quality of Inputs/Outputs of E-Banking**

Sr. No.	Group/Sub Group	Summary				S.D.		Disagree		Undecided		Agree		S.A.	
		WAS	Avg.	SD	CV	N	%	N	%	N	%	N	%	N	%
<b>Bank Group</b>															
1.	Group-I	-0.24	2.76	1.21	43.84	30	10.00	145	48.33	21	7.00	74	24.67	30	10.00
	Group-II	0.39	3.39	1.29	38.05	14	4.67	100	33.33	15	5.00	98	32.67	73	24.33
<b>Age Group (Years)</b>															
2.	Up to 25	-0.01	2.99	1.27	42.47	18	8.49	86	40.57	20	9.43	56	26.42	32	15.09
	25-35	0.01	3.01	1.28	42.52	09	6.12	70	47.62	01	0.68	44	29.93	23	15.65
	35-45	0.14	3.14	1.24	39.49	06	4.92	48	39.34	11	9.02	37	30.33	20	16.39
	Above 45	0.24	3.24	1.38	42.59	11	9.24	41	34.45	04	3.36	35	29.41	28	23.53
<b>Educational Level</b>															
3.	Up to S.S.	0.25	3.25	1.27	39.08	03	3.26	37	40.22	05	5.43	28	30.43	19	20.65
	Graduate	-0.04	2.96	1.30	43.92	26	10.53	101	40.89	15	6.07	68	27.53	37	14.98
	P.G.	0.11	3.11	1.29	41.48	11	7.28	59	39.07	11	7.28	43	28.48	27	17.88
	Professional	0.15	3.15	1.26	40.00	04	3.64	48	43.64	05	4.55	33	30.00	20	18.18
<b>Occupation</b>															
4.	Service	0.18	3.18	1.35	42.45	19	11.45	50	30.12	10	6.02	56	33.73	31	18.67
	Business	0.00	3.00	1.27	42.33	06	5.45	52	47.27	07	6.36	26	23.64	19	17.27
	Professional	0.08	3.08	1.29	41.88	07	5.00	64	45.71	06	4.29	37	26.43	26	18.57
	Others	0.02	3.02	1.25	41.39	12	6.52	79	42.93	13	7.07	53	28.80	27	14.67
<b>Annual Income (Rs. Lac)</b>															
5.	Up to 3	0.13	3.13	1.21	38.66	05	3.01	71	42.77	14	8.43	50	30.12	26	15.66
	3-6	0.02	3.02	1.32	43.71	17	8.29	87	42.44	12	5.85	52	25.37	37	18.05
	Above 6	0.08	3.08	1.33	43.18	22	9.61	87	37.99	10	4.37	70	30.57	40	17.47
<b>All Data</b>		0.07	3.08	1.29	41.88	44	7.33	245	40.83	36	6.00	172	28.67	103	17.17

## RESULT

- $\chi^2 = 36.38^{**}$  (df:4);  $C=0.24$ ;  $t=6.088^{**}$  (df: 598)
- $\chi^2 = 23.66^*$  (df:12);  $C=0.19$ ;  $F=1.12$  (df: 3596)
- $\chi^2 = 10.49$  (df:12);  $C=0.13$ ;  $F=1.44$  (df: 3596)
- $\chi^2 = 17.17$  (df:12);  $C=0.17$ ;  $F=0.60$  (df: 3596)
- $\chi^2 = 11.01$  (df:8);  $C=0.13$ ;  $F=0.29$  (df: 2597)

Table 1 is showing responses of bank customers concerning their satisfaction from quality of inputs/outputs of e-Banking.

**Table 2 Satisfaction from Payment of Bills through Internet Banking**

Sr. No.	Group/Sub Group	Summary				S.D.		Disagree		Undecided		Agree		S.A.	
		WAS	Avg.	SD	CV	N	%	N	%	N	%	N	%	N	%
<b>Bank Group</b>															
1.	Group-I	0.08	3.08	1.33	43.18	55	18.33	67	22.33	70	23.33	63	21.00	45	15.00
	Group-II	-0.08	2.92	1.32	45.21	45	15.00	64	21.33	64	21.33	75	25.00	52	17.33
<b>Age Group (Years)</b>															
2.	Up to 25	0.12	3.12	1.31	41.99	41	19.34	45	21.23	51	24.06	48	22.64	27	12.74
	25-35	-0.01	2.99	1.26	42.14	24	16.33	29	19.73	32	21.77	46	31.29	16	10.88
	35-45	-0.10	2.90	1.38	47.59	17	13.93	32	26.23	22	18.03	24	19.67	27	22.13
	Above 45	-0.11	2.89	1.37	47.40	18	15.13	25	21.01	29	24.37	20	16.81	27	22.69
<b>Educational Level</b>															
3.	Up to S.S.	-0.24	2.76	1.25	45.29	11	11.96	15	16.30	22	23.91	29	31.52	15	16.30
	Graduate	0.06	3.06	1.39	45.42	49	19.84	53	21.46	53	21.46	47	19.03	45	18.22
	P.G.	0.07	3.07	1.26	41.04	23	15.23	37	24.50	38	25.17	34	22.52	19	12.58
	Professional	-0.04	2.96	1.33	44.93	17	15.45	26	23.64	21	19.09	28	25.45	18	16.36
<b>Occupation</b>															
4.	Service	0.19	3.19	1.33	41.69	33	19.88	43	25.90	37	22.29	29	17.47	24	14.46
	Business	-0.22	2.78	1.30	46.76	16	14.55	13	11.82	35	31.82	23	20.91	23	20.91
	Professional	-0.01	2.99	1.30	43.48	23	16.43	31	22.14	25	17.86	44	31.43	17	12.14
	Others	-0.04	2.96	1.34	45.27	28	15.22	44	23.91	37	20.11	42	22.83	33	17.93
<b>Annual Income (Rs. Lac)</b>															
5.	Up to 3	-0.04	2.96	1.33	44.93	26	15.66	37	22.29	35	21.08	40	24.10	28	16.87
	3-6	-0.02	2.98	1.36	45.64	39	19.02	37	18.05	44	21.46	51	24.88	34	16.59
	Above 6	0.04	3.04	1.29	42.43	35	15.28	57	24.89	55	24.02	47	20.52	35	15.28
<b>All Data</b>		0.00	3.00	1.33	44.33	100	16.67	131	21.83	134	22.33	138	23.00	97	16.17

**RESULT**

- $\chi^2 = 2.89$  (df:4);  $C=0.07$ ;  $t=1.510$  (df: 598)
- $\chi^2 = 21.50^*$  (df:12);  $C=0.19$ ;  $F=1.05$  (df: 3596)
- $\chi^2 = 12.96$  (df:12);  $C=0.15$ ;  $F=1.32$  (df: 3596)
- $\chi^2 = 24.67^*$  (df:12);  $C=0.20$ ;  $F=2.23$  (df: 3596)
- $\chi^2 = 5.06$  (df:8);  $C=0.09$ ;  $F=0.23$  (df: 2597)

Table 2 is showing responses of bank customers concerning their satisfaction from payment of bills through internet banking.

Table 1 is showing responses of bank customers concerning their satisfaction from the quality of inputs/outputs of e-Banking. Bank group-wise, In G-I, 58.33% of bank customers are showing their disagreement and only thirty four.67% are showing agreement i.e. most of them aren't satisfied with the standard of inputs/outputs of e-Banking. Age group-wise, bank customers of higher than 35 age are showing their agreement i.e. they're satisfied with the standard of inputs/outputs of e-Banking. Out of those, 52.93% bank customers of higher than 45 age are showing their most agreement i.e. they're most satisfied with the standard of inputs/outputs of e-Banking. On the other hand, bank customers of up to 35 age group are showing their disagreement i.e. they're not satisfied with the standard of inputs/outputs of e- Banking. Out of those, 53.74% bank customers of 25-35 age group are showing their most disagreement i.e. they're least satisfied with the standard of inputs/outputs of e-Banking. Statistically,

Chi-Square worth shows a vital association between age group and responses of bank customers concerning the quality of inputs/outputs of e-Banking. However, F-value doesn't show vital distinction within the responses of bank customers of various age teams concerning the quality of inputs/outputs of e-Banking. Table 2 is showing responses of bank customers concerning their satisfaction from payment of bills through internet banking. Bank group-wise, in G-I, 40.66% of bank customers are showing their disagreement and only thirty-six.00% are showing agreement i.e. most of them are satisfied with the payment of bills through internet banking.

## RECOMMENDATIONS

While conducting the study, it has been found that yet there prevails lack of awareness among the masses for the same. Moreover, few need to work on service delivery channels as well.

## CONCLUSIONS

Technology is that the lifeline of the industry in India and every one the banks are competing laborious on their half to form themselves a lot of technology-oriented so as to form themselves profitable and their customers satisfied. Cyberbanking is going down in the normal banking industry. It has helped the banking industry to achieve abundant profits, potency, and timeliness in their business. The important bottleneck is that the mindset, unknowingness and security considerations. If we tend to overcome these factors, we can relish away superior banking industry during which all are satisfied whether or not they are bank authorities, bank workers and, above all, bank customers.

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