

## **A STUDY OF CUSTOMER BEHAVIOR WITH REFERENCE TO INTERNET BANKING AT NCR REGION**

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### **ABSTRACT**

Internet banking services are becoming more popular in the Indian banking sector. The purpose of this research is to investigate the Internet Banking Services of Indian Banking Sectors. In this study, data were gathered from both primary and secondary sources, including bank managers, websites, and other sources. Online banking services include ATM-automated teller machines, personal computer banking, phone banking and mobile banking, and email banking. The study concludes that good regulation can increase the awareness of banking customers.

Banking is a prominent actor in the Indian financial system, with new distribution channels that make it affordable to everybody. With the help of information technology, banks are discovering that a comprehensive internet banking policy is essential for success in the extremely competitive financial services industry. Because of technological advancements and the growing expansion of the internet, an internet banking solution that is more effective and less expensive than traditional branch banking can be built today. Historically, banks have been at the lead of leveraging technologies to optimize their goods, services, and efficiency. They have long used electronic and telecommunications networks to supply a diverse range of value-added products and services. The purpose of this research is to investigate customer satisfaction with internet banking in Karnataka, as well as the challenges that customers face. The study made use of both primary and secondary data. I infer that the consumers are pleased with their online bank in every way. Customers' top worries are security and privacy, owing to an increase in online fraud, cheating incidents, and hacking.

**Keywords: Internet Banking, Customer Behaviour, Indian Financial System**

## INTRODUCTION

Banking has become more convenient, resulting in a safe place for users to keep their own hard-earned basic bank accounts. People can now transfer information with the click of a button, thanks to advances in technology. Funds from one account to the next without having to wait in long lines for hours. There are some people who have numerous options available to them, including debit cards, credit cards, e-wallets, and internet banking and mobile banking, among other things, have largely replaced traditional methods of transaction.

Previously, electronic payment was limited to making large and lump sum payments for large value transactions, and cheques were the main instrument of transactions for a long time before technological innovations occurred. E-banking has made even petty payments easier, making it easy for customers to settle their payments. Customers' use of e-banking services allows banks to earn a return on their investment while also providing them with a competitive marketplace.

The banking landscape in India has changed dramatically since the country's liberalization and deregulation. The tremendous technological advances and forceful infusion of information systems had resulted in a paradigm shift in banking operations. For banks, technology has emerged as a significant resource for increasing efficiency, operational control, productivity, and profitability. It is the realization of customers' 'Anywhere, Anytime, Anyway' banking dreams. This has prompted banks to keep up with technology in order to meet rising customer expectations.

Technology began as a business imperative and has now evolved into a business driver. Banking institutions cannot consider introducing a financial product without the support of information technology, whether it is for customer service, transactions, money transfers, audit, marketing, pricing, or any other activity in the banks. Not only does information technology play an important role in completing tasks efficiently, but it also has the possibilities to innovate and meet future demands. As a result, information technology has introduced new business concepts and is progressively playing a significant role in improving banking services.

## LITERATURE REVIEW

E-banking is an innovation that occurs when new technological advances are combined with traditional banking services. The primary drivers that drive the growth of e-banking services are the reduction of operating costs and the increase of revenue. Because e-banking is essentially self-service for customers, it necessitates fewer resources and lower transaction and cost of production for banks. In terms of their demands and preferences, today's consumers are extremely picky when it comes to banking services. To remain competitive, banks must create services that both satisfy and delight customers. A basic Electronic Service Quality standard with four dimensions is developed: efficiency, fulfilment, system availability, and privacy.

E-banking has grown rapidly in developing countries over the last decade. According to their findings, there are significant differences in consumer attitudes and adoption of e-banking between the two classes, e-banking users and non-e-banking users, in terms of demographic profiles, attitudinal properties, and preferences for service delivery channels.

As we have studied about e-banking that the scope of e-banking is growing rapidly and have wider economic growth and along with that the growth of the GDP is also there. The customers are increasing rapidly online banking is going to touch the customer of 150 million by 2020 and not in 2022 around 225 million peoples will able to use e-banking.

The growth is regarding to the fulfillment of the desires and making life easy of the customers financial useness regarding banking system.

## OBJECTIVES

There are some objectives of the research of the study of online banking in India:-

- a. To investigate the portfolio of E-banking services provided by commercial banks in the NCR region.
- b. To investigate a summary of E-Banking services.
- c. To examine the advancement of banking services via e-banking from the perspective of the customer.
- d. To compare the E-Banking goods and services of various commercial banks.

## RESEARCH METHODOLOGY

**Study area:-** The study will be held nearby the NCR region Uttar Pradesh.

**Sample size:-** Data sample will be collected through primary sources.

Internet banking customers are becoming increasingly concerned about the security of their banking transactions as well as the privacy of their personal information. Online banking has become a significant phenomenon in the banking industry, and it will continue to grow as information and communication technology advances. As a result, the financial industry is gradually experiencing and transitioning from a cash-based system to a cashless system that is more convenient and reliable, with online banking services proving to be extremely important.

## DATA COLLECTIONS

This study's data collection methods are bibliographic and field. One of the most important aspects of any study is the appropriateness of its measurement tool, because the measurement instrument obtains the necessary data and information for analyzing the final conclusion. The measuring tool should have the required validity and reliability so that the research scientist can collect the adequate data for the study, test research hypotheses, and answer research questions by analyzing this data. Standard measurement instruments typically have a high level of validity and reliability.

We have done the data collection through some physically contact through the banking customers and along with that some online study through websites and journals and questioners which helps to know about the customer relations with the bank and uses of online banking for their mutual uses.

The data has some numeric value that around 84 out of 100 customers like to use online banking services and trust to do online transactions and the remaining 16 have issues with security purpose and the trust issue which tend them to get rid out of the inline banking services.

Some customer with the age criteria of 18 years to 27 years most use of the online banking services and do transaction on that they believe on e-banking and rest with age of above 30 years to 45 years do use online banking but trust less in comparison to the lower age group.

A survey was conducted for the project's case study from January 2022 to May 2022. This poll had 100 respondents from diverse industries.

- The primary goal of the research is to comprehend internet banking users' habits, opinions, preferences, and expectations.
- Time period of survey- 13 January 2022 to 2 may 2022
- Target population- Local people of NCR city and surroundings
- Survey method- Direct interview and form filling
- Total no. of respondents- 100

## DATA ANALYSIS AND INTERPRETATION

Taking a gander at results for all banks first, bigger banks offer a more extensive scope of Internet banking administrations than little banks. True to form, the coefficient on EXPERIENCE is positive, demonstrating that keeps money with more prominent involvement with Internet banking offer a more extensive scope of administrations. A very essential outcome is concerning DEPOSITS. The genuinely huge negative coefficient on That's what stores shows, among Internet banks, those that put less accentuation on customary tuning offer a more extensive scope of Internet banking administrations, which is steady with a more inventive business approach. Age didn't end up being a critical variable influencing extended Web banking administrations. The measurably critical positive coefficient on PRIVATE demonstrates that private banks including unfamiliar banks offer a wide scope of Internet banking administrations in correlation with public banks.

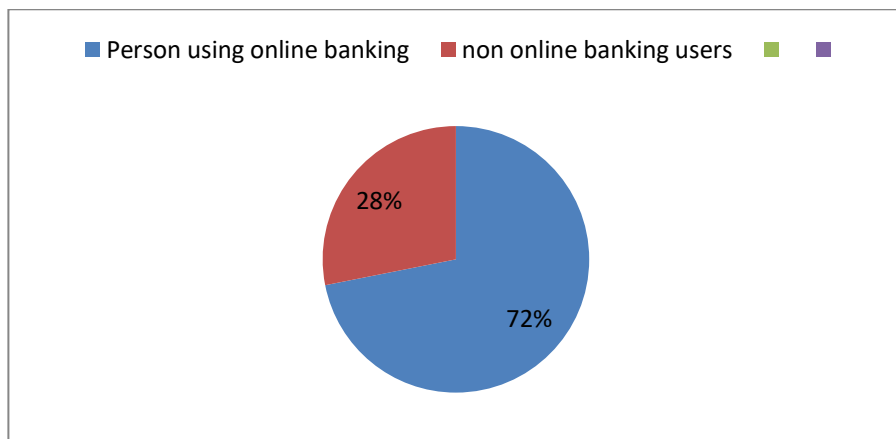
In any case, the aftereffects of the regression assessment are not comparative for the bank classifications test to those for the all-bank test. In the event of public area banks, just size of the bank is huge variable. Any remaining factors are viewed as immaterial. In the sub-class of nationalized banks, none of the factors ended up being huge. If there should arise an occurrence of SB1 bunch banks,

Until this point in time, it has been challenging to gather far reaching data on the Internet banking exercises of banks in India, as there are no extraordinary announcing prerequisites for Internet banks, and thus there is no routinely accumulated set of information about banks' Internet exercises. A review of banks' Web destinations was executed to investigate the current status of Internet banking and the degree of Internet banking administrations presented by Internet banks in India. Moreover, bank correspondence as calls and email was likewise used to accumulate data in

regards to the reception dates of Internet banking. The Web locales of the banks were investigated during the time of July 2022. The example comprises of 82 banks, which were working in India as on 31st March 2021. Test determination depends on the accompanying measures:

- 1) Only open (nationalized and SBI bunch), private (new and old private) and unfamiliar banks which were working in India as on 31st March 2022.
- 2) Banks whose Web destinations were not found in spite of best endeavors are considered as keeps money with no Web locales, thus non-Internet banks.
- 3) Banks offering just educational destinations are considered as non-Internet banks

1:-



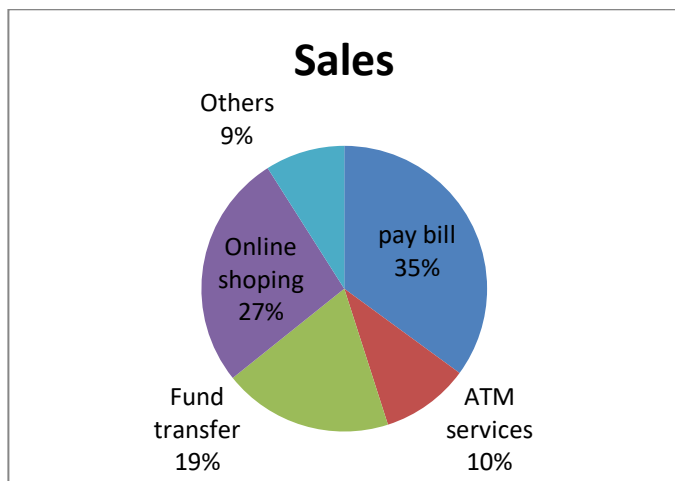
This show the entire uses of internet banking by the individuals in the country.

2:- frequency of transaction per week:-

0-3	25%
3-6	18.2%
6-9	15.9%
9+	40.9%

3:- preference for use of various services:-

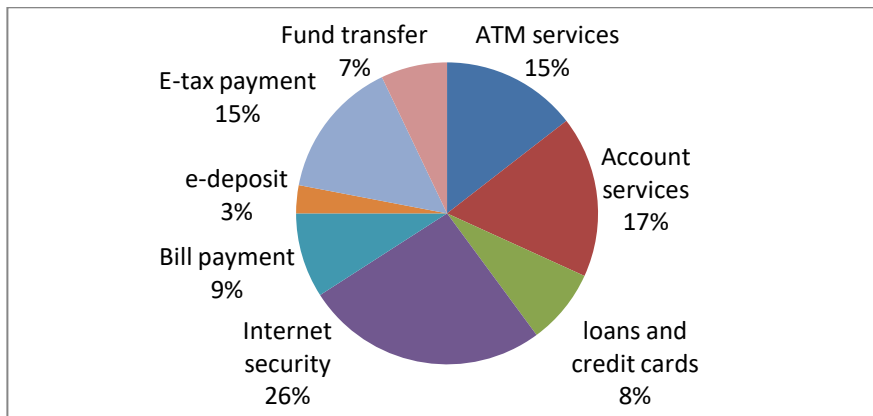
Pay bill	35.4%
ATM services	10.1%
Fund transfer	19.4%
Online shopping	27%
Others	9.1%



This graph clearly demonstrates that the majority of individuals utilise internet banking to pay bills or make online purchases. People would rather pay online than go to a real location. People prefer to utilise online banking to pay their bills first, then online shopping second, and finally financial transfers third.

4:- service to be improved:-

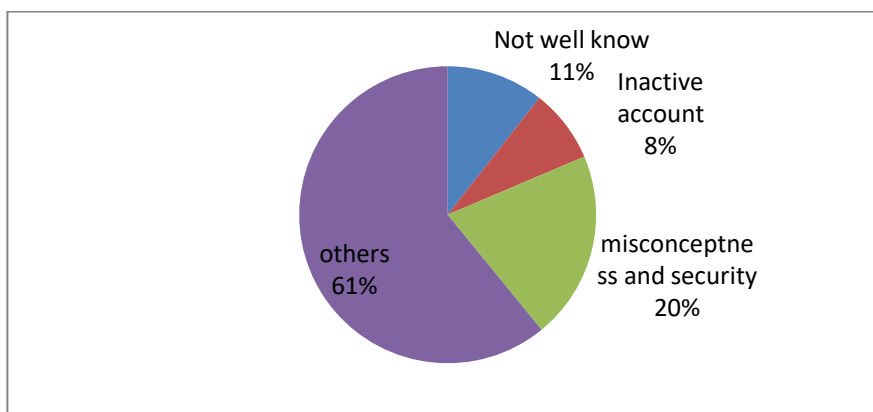
ATM services	14.5%
Account services	17.3%
Loans and credit card services	8.1%
Internet security services	26%
Bill payment	9.1%
e-deposit	3%
E-tax payments	14.9%
Fund transfer	7.1%



We can clearly see that internet security services have seen the greatest development in online services, with a 26 percent increase. This plainly demonstrates that the Indian government is highly insecure, with a great chance of being hacked and misused. It's shocking to see how easy our online bank accounts, credit card details, and other personal information can be hacked these days. As a result, there is a pressing need to improve this.

#### 5:- reasons for not using online banking:-

Not well informed	10.6%
Inactivated online bank account	8%
Misconceptions and security reasons	20.5%
Other	60.9%



With a 26 percent increase, we can plainly see that internet security services have witnessed the most growth in online services. This clearly shows that the Indian government is extremely vulnerable, with a significant risk of being hacked and misused. It's astonishing how easily our online bank accounts, credit card numbers, and other personal information may now be hijacked. As a result, there is an immediate need to improve.

## SUGGESTIONS

1:- According to the findings of this study, clients need be intellectually prepared to adopt e-banking service offerings on banking behaviors. This is the systematic orientation, and client education, as well as online banking, should be introduced by bankers with suitable safety and security measures.

2:- According to the findings of this study, the government has implemented incentive programs for people to use safe internet banking. Customers should also be encouraged to use online banking by providing the appropriate technical and information support.

3:- This study determined that banks may maintain an acceptable quantity of customer support, and that officers' information and help should be provided to clients in their native language.

4:- we need to let them gain knowledge about e-banking and help them to understand them to use them effectively so then the number of users will grow and will be able to meet their financial needs.

## CONCLUSION

Web banking has stayed a core issue of different investigations from one side of the planet to the other. Anyway there has continually been a writing hole on the issue in India. The motivation behind this paper is to assist with filling critical holes in information about the Internet banking scene in India. The paper presents information, drawn from an overview of business banks' Web locales, on the quantity of banks that offer Internet banking and on the items and administrations they offer. The review results uncover that, during the time of April 82 banks in India had Web locales, of which 51 permitted exchanges to be started through the Internet in one structure or the other, which addresses almost 62% of complete example banks. The vast majority of the market is as yet undiscovered in India. The hole exists because of low reception of Internet banking by old confidential area and unfamiliar banks. Confidential area banks especially new confidential banks and unfamiliar Internet banks lead public area Internet banks in offering a wide reach and further developed administrations of Internet banking. As a large portion of the financial foundations in India have as of late begun to offer Internet banking, there is a great deal of degree for these organizations to extend their Internet banking administrations to have a more refined client base. It ought to likewise be recollected that main amount of administrations won't fill the need, except if it is joined by quality too.

Based on the facts above, it is possible to infer that technology has had a significant impact on bank clients, pushing them to perform banking in a creative manner. They are well-versed in ATMs and internet banking, but not in other



services such as mobile banking, credit cards, smart cards, and so on. Adoption of ATMs was highest, followed by online banking, credit cards, and mobile banking, with credit cards having the highest drop page rate, followed by mobile banking and smart cards.

The usage of ATMs and online banking varies greatly across age groups, with young people leading the way, but it is minimal for credit cards and mobile banking. It has also been discovered that uptake of ATMs and internet banking is dependent on education, with highly educated people having a higher rate of adoption. Income is closely related to the adoption of ATMs, online banking, and credit cards, with higher income groups leading the way, but the trend is different with mobile banking, demonstrating that it is the least expensive e-banking delivery channel. According to the study, users of e-banking delivery options have a strong positive perception of banking technology, which is represented in their adoption and usage of the same, whereas non-users clearly demonstrated their unwillingness and ignorance in using various technology-driven banking channels. This study also identifies factors that influence ATM adoption, including comfort, speed, content, confidentiality, fee & charges, security, design, and accessibility. Convenience, speed, design, content, and accessibility are significantly associated with ATM adoption, while fee & charges, security, and privacy are negatively associated.

In the case of internet banking, factors such as expedience, speed, content, confidentiality, fee & charges, security, design, and accessibility influence online banking adoption, wherein convenience, speed, security, privacy, and accessibility are optimistically associated with internet banking adoption, whereas fee & charges, design, and content are negatively associated with internet banking adoption. It was also shown that consumers' diverse experiences with e-banking delivery options and their happiness go hand in hand, with those who had slightly fewer displaying a higher amount of satisfaction and vice versa.

Except for credit cards, consumers have few hassles and are generally satisfied with all of the specified e-banking delivery methods. In the case of credit cards, most users regularly encounter exorbitant interest rates, hidden costs, and late payment penalties, resulting in a poor level of satisfaction with credit cards.

This study demonstrates that e-banking techniques cannot be aggregated into a single category, and hence a "one size fits all" marketing strategy will not work across numerous e-banking products and services. Seeing a benefit to using a new technology increases the probability of it being adopted. This was true for all of the e-banking technologies studied.

The research findings strongly suggest that the drive for ease of banking and convenience is favoured by customers, and hence banks should identify alternative strategic routes meant to improve service delivery, whether human or technological in nature. It is critical to remember that no technology can completely replace human interaction.

In the near future, machines cannot be required to work smarter than humans.

Personal preferences, intuitions, likes, dislikes, and so on will continue to dominate how humans communicate with their service providers, consumers, and other equivalents.

Technology will facilitate transactions, but the person behind the technology will be the most important and have the last say.

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