

CHAPTER 1
INTRODUCTION

1.1 INTRODUCTION

Today banking takes place increasingly. Online financial institution delivers their services via, various electronic channels and the importance of a traditional branch network has declined. Online banking allows customers a of financial institutions to conduct financial transactions on a secured website operated by the institutions. To access online bank the customer would go to the financial institution's website and enter the online banking facility using the customer number and password. Some financial institutions have set up additional security steps for access, but there is no consistency to the approach adopted.

A professional in someone who has completed formal education and training in one or more professions. The terms also describe the standard of education and training that prepare member of the profession with the particular knowledge and skill necessary to perform the role of that professional are subject to strict codes of conduct enshrining rigorous ethical and moral obligations. This is an attempt to study the attitude usage level of online banking services among professionals.

1.2 STATEMENT OF THE PROBLEM

Changes in banks environment, including globalisation deregulation, have made the banking sector highly competitive. Banks find it had to compete on price, and need to look at other ways to retail customers. As customer become more sophisticated, it become imperative for bank to consider the use of technology to respond to their continuous changing requirements.

The purpose of the study was assess customer knowledge, attitude and usage of internet banking services in professionals. The study sought to assess customers knowledge level of internet banking establish level of accessibility of internet services, determine attitude of customers towards internet banking and assess customer usage of internet banking relatively high. The bank therefore will not have a hard time convincing the customers to use the service. However, it is recommended that they focus on increasing and security

and availability to the customers. The study will be beneficial to identify the attitude and usage level of online banking services among professionals.

1.3 OBJECTIVES OF THE STUDY

- To study the awareness of professionals towards online banking services.
- To evaluate the extent of usage level of online banking services among professionals
- To evaluate the overall satisfaction level of professionals towards online banking.

1.4 SIGNIFICANCE OF THE STUDY

The development of online banking technology revolution in recent years, and speed of development is extremely rapid. Banking technology also spread widely and influences deeply not only electronic activities of business, households and government but also varies of people's daily life. Then internet banking is a new type of information system that uses the innovative resources of the internet to enable customers to effect financial activities in virtual space. The emergence of internet has a significance impact on the diffusion of electronic banking with the help of the internet banking is no longer bound to time or geography .Consumers all over the world have a relatively easy access to their accounts 24 hours per day, 7 days in a week.

So the internet banking provides many benefits to both banks and their customers. So this study is relevant

1.5 HYPOTHESIS

H₀: There is no significant difference between usage level of different type of professionals

H₁; There is significant difference between usage level of different type of professionals

H₀; There is no significant difference between satisfaction level of different type of professionals.

H₁: There is significant difference between satisfaction level of different type of professionals.

1.6 RESEARCH METHODOLOGY

The research methodology adopted for carrying out the study is a descriptive one based on both primary and secondary data obtained through pre tested questionnaires.

1.6.1 TYPES OF RESEARCH STUDY

1.6.1.1 SECONDARY DATA

The study had made use of secondary data from various sources like company profiles and industry profiles, journals and magazines on the banking and various websites.

1.6.1.2 PRIMARY DATA

Primary data for the study was collected through direct personal interview of different internet banking users and by using pre tested questionnaires.

1.6.1.3 SAMPLE DESIGN WITH AREA OF STUDY

The type of sampling used in this study is convenience sampling. The numbers of samples taken for the study is 60. They are taken randomly from the total customers of internet banking. The study was conducted in Nilambur area.

1.6.1.4 SAMPLING METHOD

Convenient method is used for the data collection.

1.7 TOOLS AND TECHNIQUES USED FOR THE STUDY

Structured questionnaire is used for the data collection.

1.7.1 PRESENTATION TOOL

The presentation tools used in representing the collected and analysed data are:

- a) Tables
- b) Charts
- c) Graph

1.7.2 TOOLS FOR ANALYSIS

The statistical tools used for the study and analysis of the collected data and for its interpretation is as follows;

- a) ANOVA
- b) Weighted average
- c) Correlation

1.8 PERIOD OF THE STUDY

The period of the study extended for 3 weeks.

1.9 LIMITATION OF THE STUDY

- The main limitation of the study is time factor
- The respondents are selected on convenience sampling so the sampling errors bound to occur.
- Measurement of the qualitative variable is difficult.
- Lack of commitment from the respondents.
- The inadequacy of the researchers experience also have influenced the study

1.10 CHAPTER PLAN

The project is logically divided in to six chapters:

The **CHAPTER ONE** is an introduction, which gives a broad outline of the study through various heads as statement of problem, objectives of the study significance of the study, the research methodology used analysis, type of data used, tools applied, sample design and also limitations of the study.

The **CHAPTER TWO** include the review of literature. **The CHAPTER THREE** discusses the theoretical review of online. And brief description of the industrial profile. **CHAPTER FOUR** include the analysis and interpretation of the data and its presentation. **CHAPTER FIVE** contains summary, suggestions, conclusions, and scope of further research.

CHAPTER 2
REVIEW OF LITERATURE AND
THEORETICAL VIEW OF ONLINE
BANKING

2.1 LITERATURE REVIEW

2.1.1 SELVAM AND NANJAPPA (2011): In their study, examined customers awareness and satisfaction about e-banking of ICICI bank on the basis of demographic profile of the internet banking users. It was found that the awareness level of college level education group respondents was high as compared to other educational groups. The study revealed that awareness level of income group above ten thousand per month was high as compared to other income groups. It was also found that there was a significant difference between small and large size families as regard the satisfaction level of respondents.

2.1.2 K. GUNASHEKARAN (2011); He make empirical investigation of e- banking from bank customers perspective. The aim of the study is to evaluate the adoption of e-banking or internet banking services provided by bank among customers and ascertains the usefulness or benefits of e-banking or internet banking services in Indian context. In his research he finds the internet banking is important for bank customers and at the same time the importance of internet banking is significantly related to their age, education, occupation, and income. And also find there is significant difference in the extent of services as by both public and private sector bank.

2.1.3 ROBIN KAUSHAL (2009): He examined impact of e-banking on operational performance and services quality of e- banking sector in India. The objective of his study the nature, growth and extent of electronic banking services in Indian banking sector, to assess the impact of e-banking on the operations, payment and clearing system in banking sector. The result of the study reveals that only few respondents had maintained a good relations with banks.

2.1.4 QUERESHIAL (2008): He studied acceptance of online bank in Pakistan, a developing country. In Pakistan, the adoption ratio was found to be very high. There were many banks which provide internet facilities to customers. The purpose of their research was half of the client shifted from traditional banking to online banking system. The core reason of this transfer was perceived of usefulness, security and privacy provided by online banking.

2.1.5 AMIN 2007; He conducted a study on internet banking adoption among young intellectual in Malaysia. The aim of the study was to study technology acceptance of internet banking among undergraduate student in Malaysia, using the modified Technology Acceptance Model (TAM) as the theoretical framework. The results suggest that perceived usefulness, purified case of use, perceived credibility had significant relationship with behavioural indention.

2.1.6 SRIVASTAVA (2007): Srivastava studied consumer's perception on usage of internet banking. The study focused on the factors that drive consumers to use internet banking. How consumers have accepted internet banking and how to improve the usage rate were also another area of focus. The research found that if skills of consumers can be upgraded, consumers will be more willing to use internet banking. In addition, the study shows that inhibitory factors like thrust, gender, education, culture, religion, security and price can have only a minimum effect on the consumer mindset toward internet banking.

2.1.7 NELSON OLY NDUBISI AND QUEENIE SINTI(2006): This paper examines the determinant structures of customer's attitude system characteristics on adoption of internet banking (IB) by Malaysian bank customers. The research frame work links attitudinal constructs such as importance of IB to customers banking needs, compatibility , complexity , trainability and risk to internet banking adoption. Moreover, the impact of IB side design characteristic on adoption was also verified. The result of the study reveals that the additional factors play a significant role in internet banking adoption. Moreover, utilitarian orientation of the websites rather than hedonic orientation has significant influence on adoption.

2.1.8 NDUBISI AND SINTI (2006): He examined consumer attitudes, system's characteristics and internet banking adoption in Malaysia. The research frame work links attitudinal constructs such as importance to internet banking needs, complexity, trainability and risk to internet banking adoption. The result of the study revealed that attitudinal factors play a significant role in internet banking adoption.

2.1.9 HERNANDEZ AND MASSON (2006): Proposed a new method to investigate adoption of new technologies and tested the method on internet banking adoption in Brazil. A total of respondent living in one of the biggest cities in Brazil were sampled for interviewing. Specifically, the result seems to suggest that intention to use the internet banking is influenced solely by people's beliefs about internet banking.

2.1.10 ARUNKUMAR AND SARANATHAN (1996); In their study, examined customers attitude and intention towards internet banking. This study was developed to create a deeper understanding of this assumption. There is strong association between PEOU, PU. Perceived enjoyment is the major factor which determines the attitude and intention to use and this also supported by Bernadette (1996) and in his research he finds there is no significant difference between age group and attitude towards internet banking.

2.2 THEORETICAL REVIEW OF ONLINE BANKING

2.2.1. BANK

A bank is a financial institution which accept deposits from the public for the purpose of lending or investment, repayable on demand or withdrawable by cash, cheque ,draft.

2.2.2 BANKING

Banking can be defined as the business activity of accepting and safe guarding money owned by other individuals and entities and then lending out this money in order to earn a profit.

2.2.3 ONLINE BANKING

Online banking (or internet banking or e-banking) allows customers of a financial institution to conduct financial transaction on a secured website operated by the institution, which can be retail bank, virtual bank, credited union or building society.

To access a financial institution online banking facility, a customer having personal internet access must register with the institution for the service and set up some password (under various names) for customer verification. The password for online banking is normally not the same as for (telephone banking). Financial institution now routinely allocates customers number (also under various names).whether or not customers indented to access their online banking facility. Customer's numbers are normally not the same as account numbers, because number of accounts can be linked to the one customer number. The customer will link to the customer number any of those accounts which the customer controls, which may be cheque, savings, credit card and other accounts. Customer number will also not be the same as any debit or credit card issued by the financial institution to the customer.

To access online banking, the customer would go to the financial institution's website, and enter the online banking facility using the customer number and password. Some financial institutions have set up additional security steps for access, but there is no consistency to the approach adopted.

2.2.4 HISTORY OF ONLINE BANKING

The precursor for the modern home online banking services were the distance banking services over electronic media from the early 1980's. The term online became popular in the late 80s and referred to the use of a terminal, key board and TV (or monitor) to access the banking system using a phone line. Home banking can also refer to the use of a numeric keypad to send tones down a phone line with instructions to the bank. Online services started in New York in 1981 when four of the city's major banks (City Bank, Chase Manhattan, Chemical and Manufactures Hanover) offered home banking services using the video text system. Because of the commercial failure of video text these banking services never became a popular except in France where the use of video text (Mintel) was subdivided by the telecom provider and the UK where the Prestel system was used.

The UK's first home online banking services known as Home link was set up by Bank of Scotland for customers of the Nottingham Building Society (NBS) IN 1983. The used was based on the UK's Prestel view link system and used a computer, such as the BBC Micro, or key board (Tan data Td 1400) connected to the telephone system and television set. The system allowed on line viewing of statements, bank transfers and bill payments, In order to make bank transfer and bill payments a written instruction giving details of the intended recipient had to be sent to the NBS who set the details up on the home link system. Typical recipient were gas, electricity and telephone companies and account with other banks. Details of payments to be made were in put in to the NBS system by the account holder via Prestel. A cheque was then sent by NBS to the payee and an advice giving details of the payment was sent to the account holder. BACS was later used to transfer the payment directly.

Stanford Federal Credit Union was the first financial institution to offer online internet banking services to all of its members in October 1994. Today many banks are internet only banks. Unlike their predecessors, these internet only banks do not maintain brick and mortar bank branches. Instead they typically differentiate themselves by offering better interest rates and more extensive online banking features.

2.2.5 FEATURES AND BENEFITS OF ONLINE BANKING

- **Viewing and Managing your accounts**

Access and consolidate all your RBC royal bank account as well as view your account with other financial institutions. You can search for transactions, view and change your statement options, open personal deposit accounts stop cheque payment request order new cheque view cheque image and update your profile with ease.

- **Paying bills and transferring funds.**

With online banking, you can pay bills and transfer fund online any time, from anywhere.

- **Managing your investments**

Track your bank investment direct investing and dominion securities accounts online. Contribute to your RRSP, renew GICs, update GIC maturity instructions, purchase mutual funds and more through online banking.

- **Applying for insurance**

RBC Royal Bank offers a wide range of insurance services and solutions that are easy to apply for and access online.

2.2.6 ADVANTAGES OF ONLINE BANKING

- **Very convenient**

Online banking is a totally easy thing to do. In the comfort of your home or offices, you can do whatever monetary transactions you wish to do with your bank

- **Unlimited service day and night**

The services and various features of your bank are always available seven days a week and 24 hours daily. The most interesting thing here is that everything can happen at just one click of your mouse.

- **No time constrain**

Online banking is also stress free because it never closes unlike the traditional banking that has cut- off- time.

- **Easy to access via PC**

Using your personnel computer you can easily do various transactions with your bank in view of your business or any other personal or financial matters.

- **Easy way of payment**

Bill payment cash can also be handled properly and smartly .Instead of waiting for certain due dates, you can easily pay all your transactions using your computer and in coordination with your bank

2.2.7 DISADVANTAGES OF INTERNET BANKING

- Understanding the usage of internet banking might be difficult for a beginner at the first go. Though there are some sites which offer a demo on how to use internet banking. But all does not offer this facility. So a person who is new to internet banking might face some difficulty.

- You cannot have access to internet banking if you don't have an internet connection thus without the availability of internet access, internet banking may not be useful

- Security of transactions is a big issue. Your account information might get hacked by unauthorized people over the internet.

- Password security is must. After getting your net banking password do change it and memorise it otherwise your account may be misused by someone who get your password inadvertently.
- You cannot use internet banking in case the bank's server is down
- Another issue is that sometimes it becomes difficult to not whether your transaction was successfully or not. It may be due to the loss of internet connectivity between, or due to a slow connection, or the banks server is a down

2.2.8 SERVICES OFFERED BY ONLINE BANKING

Internet banking account is easy to open is easy to open and operate. The services offered by banks over the internet might differ from bank to bank, and from country to country. To know about the services which your bank is offering always go through the welcome kite that you get at the time of opening the account. You also get your password for internet banking which you are supposed to keep with great care for security reasons.

The common internet banking services are:

TRANSACTIONAL ACTIVITIES:

like fund transfer, bill pay, loan applications and transactions.

NON-TRANSACTIONAL ACTIVITIES:

like request for cheque book, stop payment, online statement, upgrading your contact information.

2.2.9 MEANING OF PROFESSIONAL

A professional is a member of a profession. The term also described the standard of education and training that prepare member of the profession with the particular knowledge and skill necessary to perform the role of that profession. In addition, most professionals are subject to strict codes of conduct enshrining rigorous ethical and moral obligations. Professional's standards of practice and ethics for a particular field are typically agreed upon and maintained through widely recognized professional associations. Some definitions of professional limit this term to those profession that services some important aspect of public interest and the general good of society.

In some culture the term is used as shorthand to describe a particular social stratum of well-educated workers who enjoy considerable work autonomy and who are commonly engaged in creative and intellectually challenging work.

CHAPTER 3
INDUSTRIAL PROFILE OF BANKING

3.1 BANKING INDUSTRY

3.1.1 HISTORY OF BANKING

The history of banking begins with the first prototype banks of merchants in the ancient world, which made grain loans to farmers and traders who carried goods between cities. This began around 200 BC in Assyria and Babylonia. Later, in ancient Greece and during Roman Empire, lenders based in temples made loans and add two important innovations: they accepted deposits and changed money. Archaeology from this period in ancient china and India is also shows evidence of money lending activity.

Banking in the modern sense of the word, can be traced to medieval and early Renaissance Italy. To the rich cities in the north such as Florence, Venice, and Genoa. The Bardi and Peruzzi families dominated banking in 14th century Florence, establishing branches in many other parts of Europe. Perhaps the most famous Italian bank was the Medici bank, established by Giovanni Medici in 1397. The position of the Medici's was eventually taken over by the Fugger's and welsers. The oldest bank still in existence is Monte dei Paschi di Siena, headquarters in Siena, Italy, which has been operating continuously since 1472. It is followed by Berenberg Bank of Hamburg (1590).

The development of banking spread from northern Italy through Europe and a number of important innovations took place in Amsterdam during the Dutch Republic in the 16th century and in the 17th century. During the 20th century, Development in telecommunications and computing caused major changes to bank's operations and let banks dramatically increase in size and geographic spread. The financial crisis of 2007-2008 caused many bank failures including some of the world's largest banks, and provoked about bank regulation.

3.1.2 BANKING IN INDIA

The first bank in India through conservative was established in 1786 .From 1786 till today the journey of Indian banking system can be segregated into three distinct phases

- Early phases of Indian banks, from 1786 to 1969
- Nationalization of banking sector reforms from 1969-1991
- New phases of Indian banking system with the reforms after 1991

PHASE.1

The first bank in India, the general bank of India was set up in 1786. Bank of Hindustan and Bengal (1809) Bank of Bombay (1840) and the Madras (1843) as Independent unit and called them presidency banks. These three banks were amalgamated in 1920 and imperial bank of India a bank of private shareholders mostly Europeans was established Allahabad bank was established exclusively by Indians in 1865.Punjab National bank was set up in 1894 with head quarter in Lahore .Between 1906 and 1913, Bank of India, Central bank of India, Bank of Baroda,Canara bank, Indian bank and bank of Mysore were set up. The Reserve Bank of India came in 1935. During the first phase the growth was very slow and banks also experienced periodic failures between 1913 and 1948 .There were approximately 1100 banks, mostly small

PHASE.2

The government took major initiatives in banking sector reforms after independence. In 1955 it nationalized the imperial bank of India and started offering extensive banking facilities, especially in rural and semi-urban areas. The government constituted the state bank of India to act as the principal agent of the RBI and to handle banking transactions of the union government and state government all over the country .Seven banks owned by the princely states were nationalized in 1959 and they became subsidiaries of the State Bank of India. In the second phase of banking sector reforms seven more banks were nationalized. In the second phase of banking sector reforms, seven more banks were nationalised in 1980.With this 80%of the banking sector in India came under the government ownership.

PHASE.3

This phase has introduced many more products and facilities in the banking sector as part of the reform process. In 1991 under the chairmanship of M.Narasimham, a committee was set up which worked for the liberalisation of banking practices.

Now the country is flooded with foreign banks and their ATM stations. Efforts are being put to give satisfactory services to the customers. Phone banking and net banking are introduced. The entire system became more convenient and swift. Time is given importance in all money transactions.

The financial system of India has shown a great deal of resilience. It is sheltered from crises triggered by external macroeconomic shocks, which other east Asian countries often suffered. This is all due to a flexible exchange rate regime, the high foreign exchange reserve, the not yet fully convertible capital account, and the limited foreign exchange exposure of bank and their customers.

3.1.3 CURRENT PERIOD

By 2010 banking in India was generally fairly mature in terms of supply predict range and reach even through reach in rural India still remains a challenge for the private sector and foreign bank. In terms of quality of assets and capital adequacy, relative to other banks in comparable economies in the region. The Reserve bank of stated policy of the bank of Indian rupee is to manage volatility but without any fixed exchange rate and this has mostly been true.

With the growth in the Indian economy expected to be strong for quite some time especially in its services sector the demand for banking services, especially retail banking. Mortgages and investment services are expected to be strong. One may also expect M&As take overs, and asset sales.

In March 2006, the Reserve bank of Indian allowed WARBURG Pincus to increase its stake in Kodak Mahindra Bank (a private sector bank) to 10%. This is the first time an investor has been allowed to hold more than 5% in a private sector banks would need to be vetted by them.

In recent years critics have charged that government owned banks are too aggressive in their loan recovery effort in connection with housing vehicles and personal loans. There are press reports that the banks loan recovery efforts have driven defaulting borrowers to suicide.

By 2013 the Indian banking industry employed 1,175,149 employees and had a total of 109,811 branches in India and 171 branches abroad and manage and aggregate deposit 67504.54 billion (US\$990BILLION) and bank credit of 52604.50 billion. The net profit of the banks operating in India was 1027.51 billion against a turn over of 9148.59 billion for the financial year 2012-2013.

PROFILE OF THREE IMPORTANT BANKS

- FEDERAL BANK
- STATE BANK OF INDIA (SBI)
- SOUTH INDIAN BANK (SIB)



HISTORY

The federal bank limited is a major Indian commercial bank in the private sector head quarters at **Aluva ,kochi kerala**. In the year 1931, Travancore Federal Bank was Inaugurated at Pattamukki Varattisseri **at Nedumpuram**, near Thiruvalla, Kerala. **“Your perfect banking partner”** is their slogan. In 1945, the banks registered office moved to Aluva. In 1947 the banks name was shortened from Travancore Federal Bank to Federal Bank. In 1964 the bank embarked on a serious of acquisition that would substantially increase its size .In 1968 it acquired the Marthandom Commercial Bank in Thiruvananthapuram .In 1970Federal become a Scheduled Commercial Bank. In January 2008 Federal Bank opened its first overseas representative’s office in Abu Dhabi. In August 2013 Federel Bank introduced Fed Book, the first electronic pass book launched by any bank in India. Fed Book is a mobile app through which customers can view their pass book details. As on 19th October 2015 federal bank has 1251 branches spread across 24 state and 1526 **ATMs** across the country. Its balance sheet stood rs.1.03 trillion as on end march 2015 and its net profit stood at 100 crore for the full physical year.



State Bank of India

State Bank of India (SBI) is an Indian multinational public sector banking and financial services company. It is government owned corporation with its headquarters in **Mumbai, Maharashtra**, As on 2014-2015 it had assets of INR 2048080 crore and more than 17000 branches, including 191 foreign officers spread across 36 countries making it the largest banking and financial services company in India by assets. **Smt. Arundathi Battacharya** is the chairperson of SBI. **“The banker to every Indian”** is their slogan.

State Bank of India is the one of the Big Four banks of India along with ICIC Bank, Punjab National Bank and bank of Baroda.

The bank traces its ancestry to British India through the imperial bank of India to the founding in 1806 of the bank of Calcutta, making it the oldest commercial bank in the Indian sub continent. Bank of Madras merged into the other two presidencies banks –Bank of Calcutta and Bank of Bombay to form the imperial bank of India, which in turn becomes the State Bank of India. Government of India owned the imperial bank of India in 1955 with Reserve Bank of India taking a 60% stake and renamed it the State Bank of India. In 2008 the government took over the stake held by the Reserve Bank of India.

On 15 February 2017, the Union Cabinet approved a proposal to merge SBT and four other associate banks with State Bank of India. SBT was merged with its parent bank SBI on March 31, 2017. SBT was a subsidiary of the State Bank Group, but also had private shareholders. It was the premier bank of Kerala. Overall, as of 31 March 2015 SBT had a network of 1,157 branches and 1,602 ATMs, covering 18 states and three union territories.

SBI is a regional banking behemoth and has 20% market share in deposits and loans among Indian commercial banks.



South Indian Bank Limited (SIB) is a major private sector bank headquartered at Thrissur in Kerala, India. South Indian Bank has 852 branches, 4 service branches, 56 ext.counters and 20 Regional Offices spread across more than 27 states and 3 union territories in India. It has set up 1334 ATMs and 42 Bulk Note Acceptor/Cash Deposit Machines all over India. South Indian Bank was registered as a private Limited Company under the companies Act of 1913 and commenced business on 29-01-1929 at Round South, Thrissur. The South Indian Bank Ltd., was formed by a group of 44 enterprising men of Thrissur who contributed Rs.500 each to the initial paid up capital of Rs.22,000. Their main objective was to serve the merchant community of Thrissur by freeing them from the clutches of the money lenders who charged exorbitant rates of interest.

Till date, the bank has covered more than 100 villages and 15 urban centres under Financial Inclusion and opened more than 10 exclusive Financial Literacy Centres (FLC) Centres in the bank premises, which spreads across the states of Kerala, Tamil Nadu, Andhra Pradesh and Chhattisgarh. Recently South Indian Bank has introduced "KIOSK Banking Model" as Financial Inclusion Initiative in association with Akshaya e-centres in the state of Kerala through the software service provider - M/s Tata Consultancy services.

CHAPTER 4
DATA ANALYSIS AND INTERPRETATION

ANALYSIS AND INTERPRETATION OF THE DATA

1. The chapter three discussed about the industrial and company profile. Here in 4th chapter the analysis of surveyed data are done in order to find out the attitude and usage level of online banking services among professionals. To enable the analysis a relevant study conducted as a empirical work based on primary data collected from 60 of internet banking services in Nilambur area. The study itself tried to make a scientific approach towards the subject and also used some statistical tools some tables and corresponding diagrams based on the surveyed data.

DISTRIBUTION OF SAMPLE MEMBERS BY SOCIO-ECONOMIC STATUS

TABLE 4.1

SL.NO	STATUS	NO OF RESPOND ENT	PERCENTAG E
1. SEX	MALE	38	63
	FEMALE	22	37
	TOTAL	60	100
2. AGE	BELOW 30	18	30
	30-40	12	20
	40-50	20	33
	50-60	7	12
	ABOVE 60	3	5
	TOTAL	60	100
3. QUALIFICATION	SSLC	10	17
	GRADUATE	21	35
	POSTGRADUATE	20	33
	ABOVE POST GRADUATE	9	15
	TOTAL	60	100

4. OCCUPATION	TEACHER	29	48
	DOCTOR	3	5
	LAWYER	3	5
	OTHERS	25	42
	TOTAL	60	100
5. MARITAL STATUS	MARRIED	49	82
	UNMARRIED	11	18
	TOTAL	60	100
6. INCOME LEVEL	BELOW 20000	17	28
	20000-30000	10	17
	30000-40000	14	23
	40000-50000	11	18
	50000 ABOVE	8	13
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION:

From the above table majority of the respondent are male with 63% and the remaining 37% are female. About 33% of respondent belongs to the age range of 40-50, 30% belongs to the range of below 30. About 20% belong to the range of 30-40.12% belongs 50-60 and the remaining 5% belong to above 60.the educational qualification of 35% respondent are gradute.33% are post graduate ,17% are SSLC remaining 15% above post graduate. About 48% of the respondent are teachers,42% are other professionals, 5% are doctors and the remaining 5% are lawyer. About 82% are married and the remaining 18% are unmarried. About 28% of respondent falls in the income group of below 20000, 23% belongs to th group of 30000-40000, 18% belongs to 40000-50000, 17% belongs to 20000-30000 and the remaining 13% belongs to above 50000.

TABLE 4.2

ONLINE BANKING HABIT

SL NO	OPINION	NO OF RESPONDENT	PERCENTAGE
1	YES	52	87
2	NO	8	13
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION

The above table show that the most of the 87% of the respondent are having online banking habit and rest of the 13% of the respondents are not online banking habit.

CHART 4.1

ONLINE BANKING HABIT

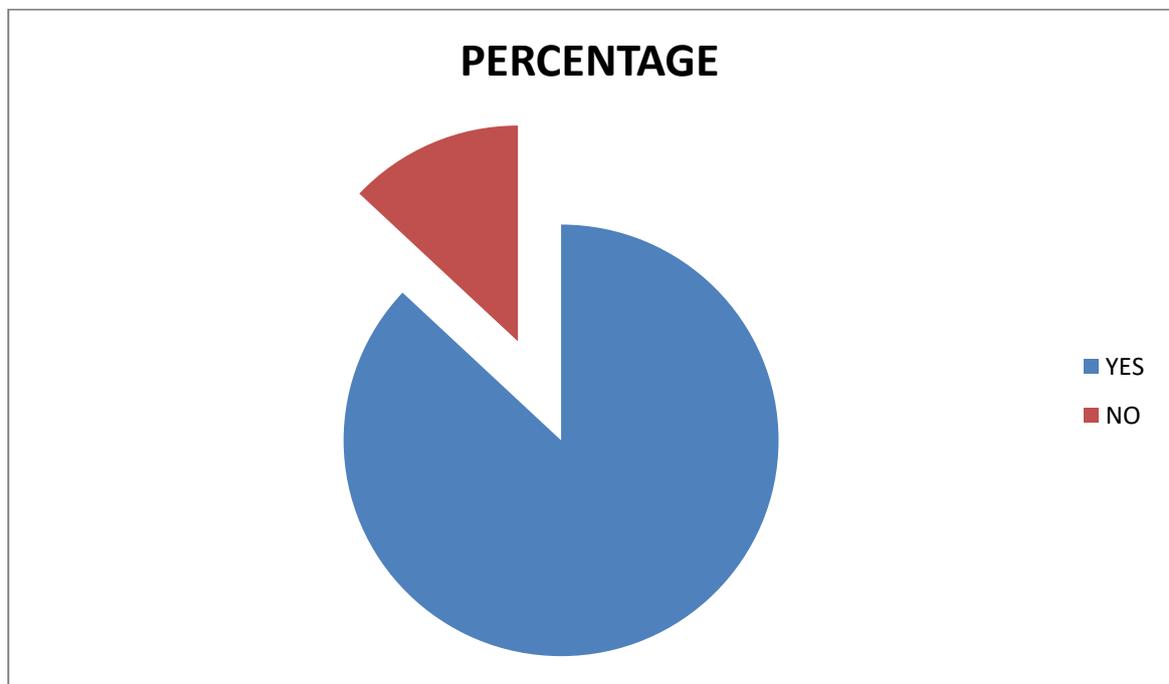


TABLE4.3

INTERNET BANKING MADE LIFE EASIER

SL NO	OPINION	NO;OF RESPONENT	PERCENTAGE
1	YES	56	93
2	NO	4	7
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION

The above table shows that 93%of the respondent's internet banking made life easier and only rest of the 7% not make any changes.

CHART 4.2

INTERNET BANKING MADE LIFE EASIER

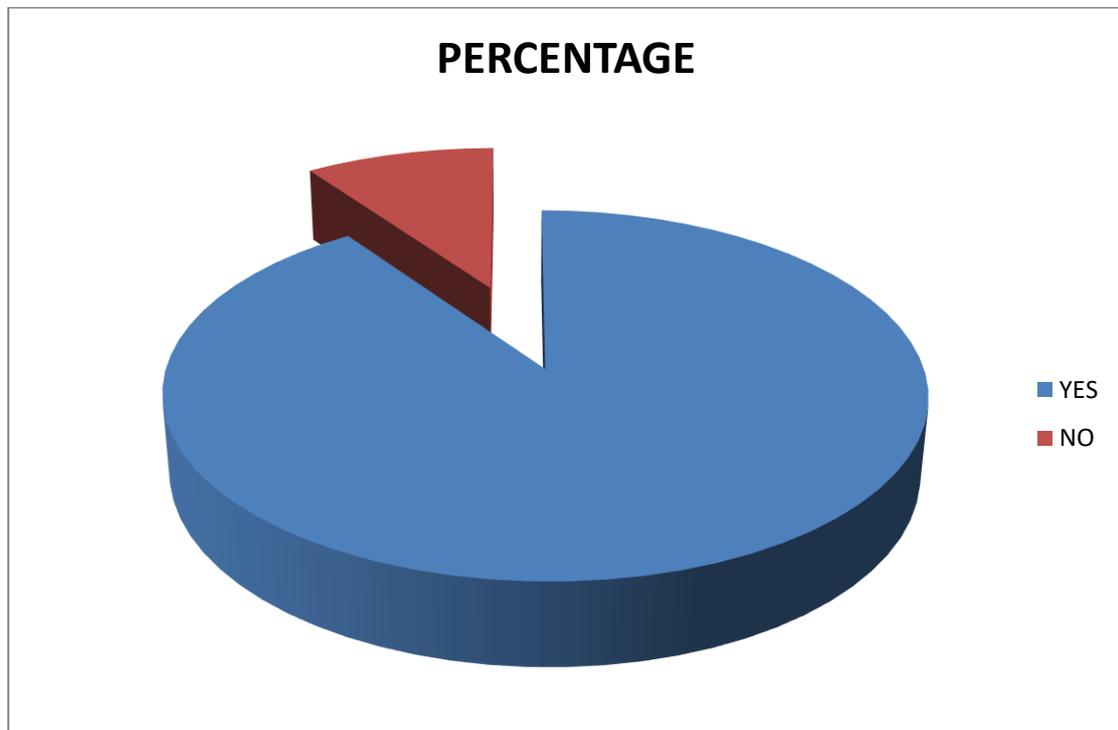


TABLE 4.4

**CONVENIENCE IN INTERNET BANKING FACILITIES AS
COMPARED WITH THE TRADITIONAL BANKING**

SL NO	BASIS	NO;OF RESPONDENT	PERCENTAGES
1	Strongly agree	37	62
2	Agree	23	38
3	Neutral	0	0
4	Disagree	0	0
5	Strongly disagree	0	0
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION

The above table shows that 62% of participants strongly agreed, 38% agreed and no one disagree that internet banking is convenient in comparison with the traditional banking services.

CHART 4.3

**CONVENIENCE IN INTERNET BANKING FACILITIES AS COMPARED WITH
THE TRADITIONAL BANKING**

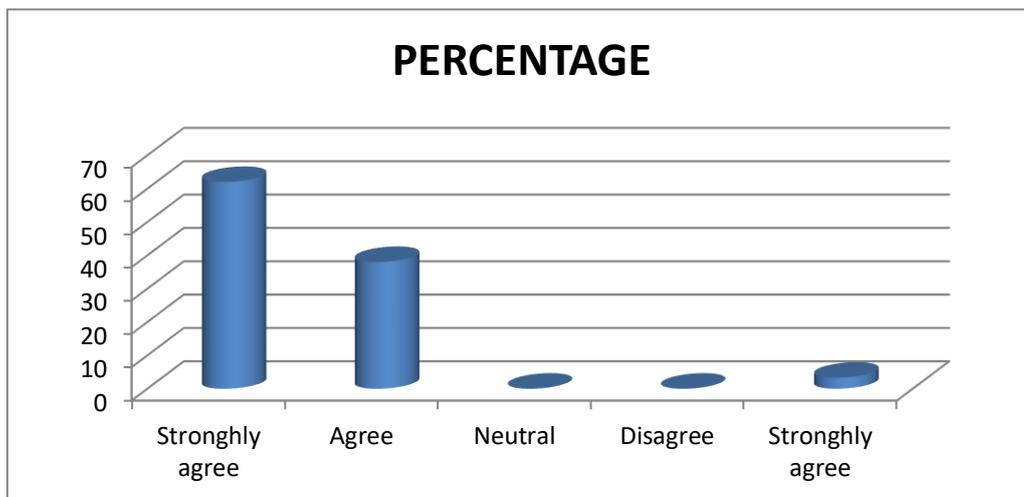


TABLE 4.5

TYPE OF BANK USED BY THE RESPONENT

SL NO	TYPE OF BANK	NO OF THE RESPONDENT	PERCENTAGE
1	SIB	21	35
2	SBI	9	15
3	FEDERAL	23	38
4	OTHERS	7	12
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION

The above table shoes that most of the customers are hold account in federal bank (38%).35%are using online banking services in SIB bank account and 15%are holding account in SBI and only12%of users hold their account s in other banks.

CHART 4.4

TYPE OF BANK USED BY THE RESPONENT

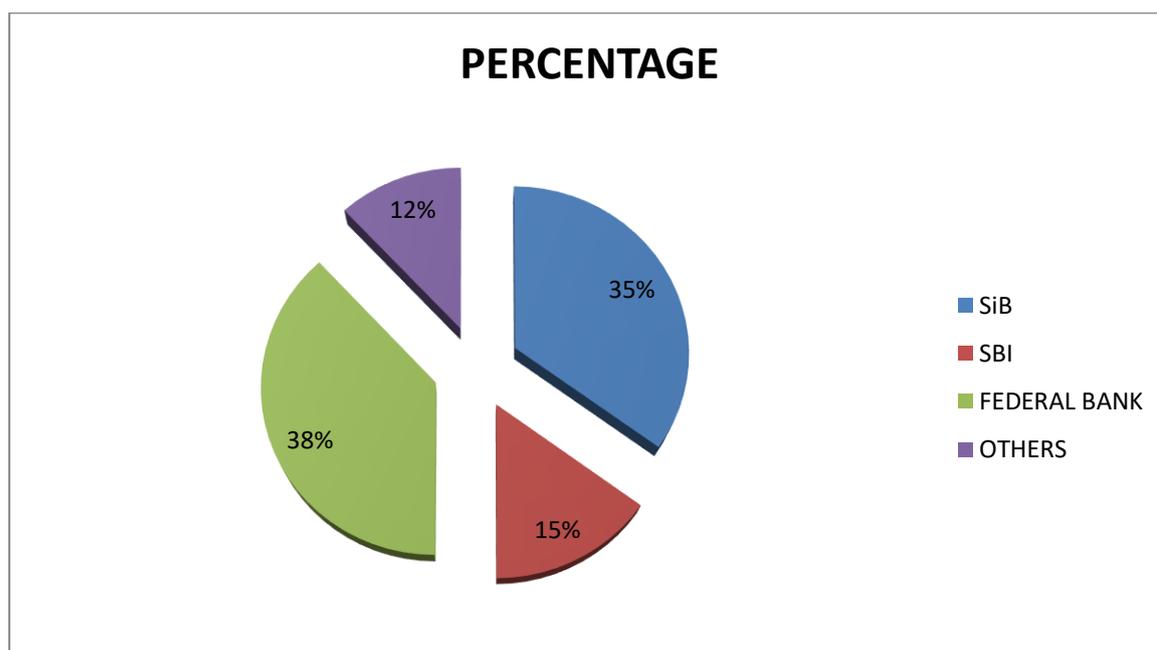


TABLE 4.6

COMPARISON OF SERVICE WITH OTHER BANKS INTERNET BANKING SERVICE

SL NO	BASIS	NO OF RESPONDENT	PERCENTAGE
1	Excellent	8	13
2	Very good	21	35
3	Good	25	42
4	Average	4	7
5	Poor	2	3
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION

The above table shows that 35% of the respondent's opinions are very good, 42% are good, and 13% were excellent compared services with other banks internet banking services.

CHART 4.5

COMPARISON OF SERVICE WITH OTHER BANKS INTERNET BANKING SERVICE

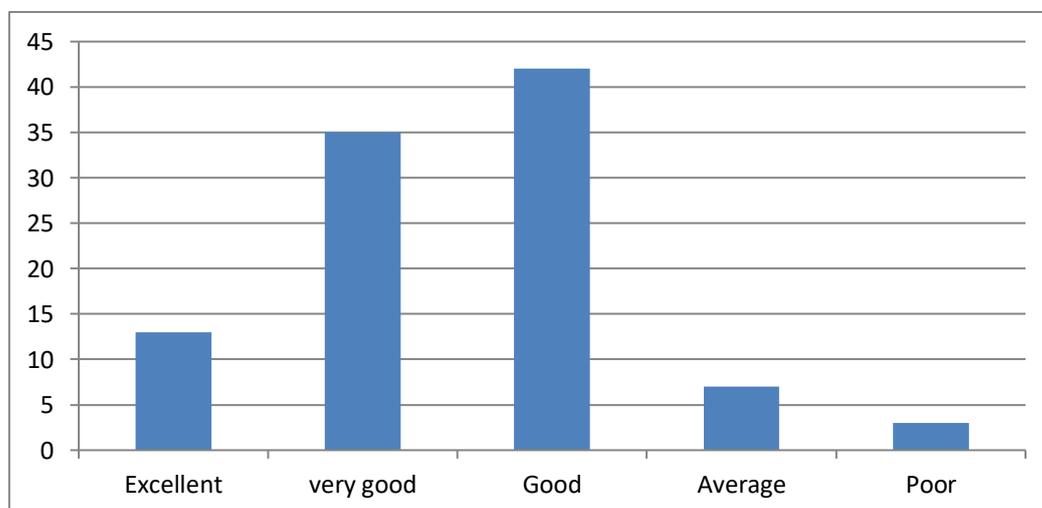


TABLE4.7

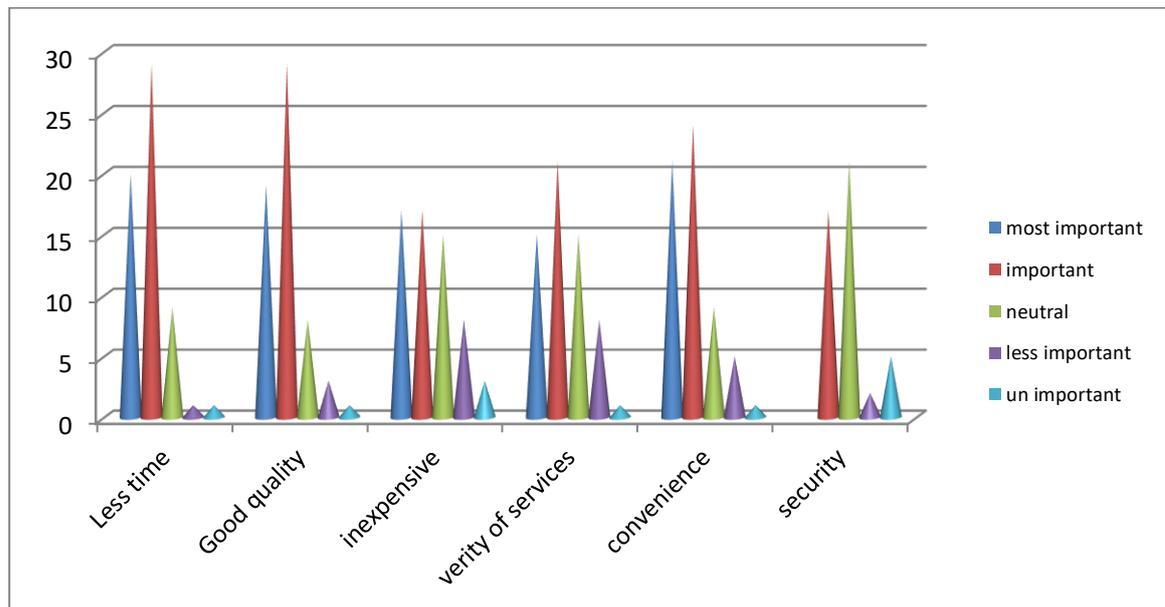
FACTORS CONSIDER FOR USING ONLINE BANKING SERVICES

SL. NO.	FACTORS	MOST IMPORTANT	IMPORTANT	NEUTRAL	LESS IMPORTANT	UN IMPORTANT
1	Less time	20	29	9	1	1
2	Good quality	19	29	8	3	1
3	In expensive	17	17	15	8	3
4	Variety of services	15	21	15	8	1
5	Convenience	21	24	9	5	1
6	security	15	17	21	2	5

(Source; Primary data)

CHART 4.6

FACTORS CONSIDER FOR USING ONLINE BANKING SERVICES



4.8 ANALYSIS OF THE DATA

The data is analysed using weighed average method.

TABLE 4.8**WEIGHED AVERAGE METHOD**

SL NO	BASIS	WEIGHT GIVEN
1	Most important	5
2	Important	4
3	Neutral	3
4	Less important	2
5	Un important	1

The above table show that each point is given specified weight in order to analyse the data and conclude which factor is mostly consider and which factor is rarely consider.

4.9 WEIGHTED AVERAGE CALCULATION

SL NO	FACTORS	WEIGHED AVERAGE	RANK
1	Less time	4.11	1
2	Good quality	4.03	2
3	In expensive	3.62	5
4	Variety of services	3.68	4
5	Convenience	3.98	3
6	security	3.58	6

INTERPRETATION

Through weighed average most of the users consider the factors for using online banking services is less time, good quality and Varity of services. The users give less important to the security and inexpensive factors

TABLE 4.9

SERVICES AND LEVEL OF USAGE

SL NO	SERVICES	TEACHER	DOCTOR	LAWYER	OTHERS
1	Online bill payment	3.44	4.66	5	3.28
2	Loan application	2.44	2.33	4.33	2.76
3	Investment activity	3.20	3	3	2.64
4	Ticket booking	3.44	4	3.66	3.2
5	Check balance online	4.06	3.33	3.66	3.16

(Source; Primary data)

ANALYSIS OF THE DATA

H₀: There is no significant difference between usage levels of different type of professionals

H₁: There is significant difference between usage levels of different type of professionals

INTERPRETATION

The analysis of data using one way ANOVA provided the following:

TABLE 4.10

ANOVA TABLE

SOURCES OF VARIANCES	SUM OF SQUARES	DEGREE OF FREEDOM	MEAN SQUARE
BETWEEN SAMPLES	SSC=2.2	K-1=3	MSC=0.73
WITHIN SAMPLES	SSE=7.24	N-K=16	MSE=0.45
TOTAL	SST=9.4	N-1=19	

NOTE;

F=MSC/MSE

CV=1.62

TV= 3.24 (At 5% Level of significance with degree of freedom (3,16))

Since the calculated value is less than the table value we accept the null hypothesis and reject the alternative hypotheses, there is no significant difference between usage level of different type of professionals.

TABLE 4.11

SERVICES AND SATISFACTION LEVEL

SL NO	SERVICES	DOCTOR	LAWYER	TEACHER	OTHERS
1	Transfer of fund	5	5	4.37	4.4
2	Loan application	2.66	3.66	3.20	2.96
3	Investment activity	2.66	3	3.34	3.16
4	Ticket booking	4	4	3.68	3.4
5	Online shopping	4.33	4.33	3.72	3.56
6	Paying bills	4.66	4	3.79	3.04

(Source; Primary data)

ANALYSIS OF DATA

H₀: There is no significant difference between satisfaction levels of different type of professionals

H₁: There is significant difference between satisfaction levels of different type of professionals

INTERPRETATION

The analysis of data using one way ANOVA provided the following:

TABLE 4.12

ANOVA TABLE

SOURCES OF VARIANCES	SUM OF SQUARES	DEGREE OF FREEDOM	MEAN SQUARE
BETWEEN SAMPLES	SSC=338.04	K-1=3	MSC=112.68
WITHIN SAMPLES	SSE=248.16	N-K=20	MSE=12.408
TOTAL	SST=586.2	N-1=23	

NOTE;

$F = MSC/MSE$

$CV = 9.081$

$TV = 3.10$ (At 5% Level of significance with degree of freedom (3,20))

Since the calculated value is more than the table value we accept the alternative hypothesis and reject the null hypotheses, there is significant difference between satisfaction levels of different type of professionals.

TABLE 4.13
RATING OF SERVICES

SL NO	Services	Highly Secure	Secure	Moderate	Less secure	Un secure
1	Bill payment	15	29	7	5	4
2	Loan application	7	16	18	9	7
3	Investment activity	7	25	13	7	5
4	Balance checking	32	10	7	5	3
5	Ticket booking	24	19	6	5	3
6	Fund transfer	17	19	7	11	3

(Source; Primary data)

INTERPRETATION

From above diagram it is clear that users are more secured on the services like balance checking, bill payment, and ticket booking.

CHART 4.7
RATING OF SERVICES

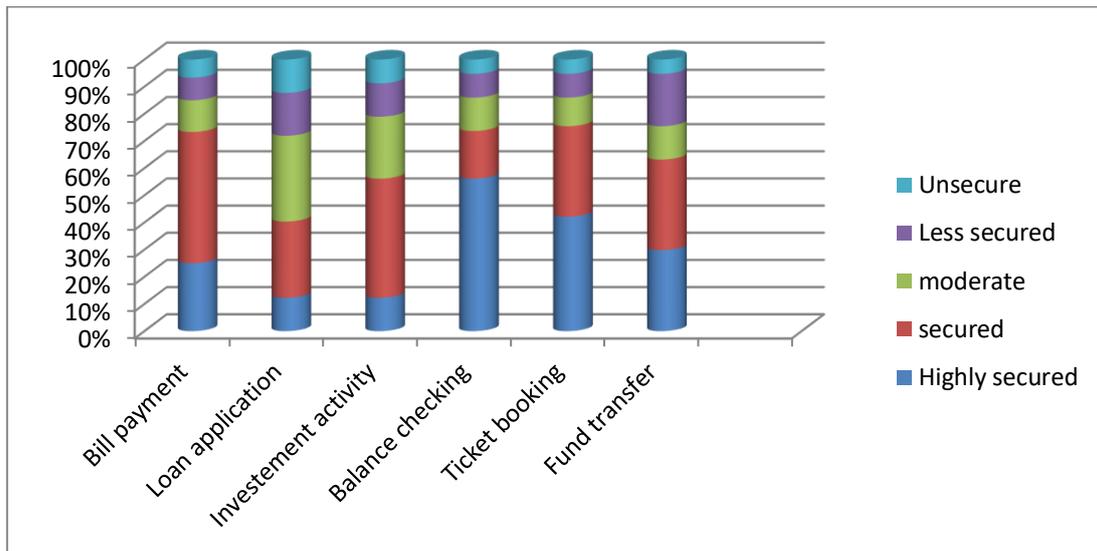


TABLE 4.14
SECURITY PROBLEM OF ONLINE BANKING

SL NO	PROBLEM	Always	Often	Some times	Rare	Never
1	Technical problem	9	7	31	8	5
2	Inaccessibility	5	17	16	9	13
3	Slow processing	10	15	20	10	5
4	Lack of privacy	3	10	15	13	19
5	Monetary loss	3	6	9	15	27

(Source; Primary data)

ANALYSIS OF THE DATA

The data is analysed using weighed average method

TABLE 4.15

WEIGHED AVERAGE TABLE

SL NO	BASIS	WEIGHT GIVEN
1	Always	5
2	Often	4
3	Sometimes	3
4	Rarely	2
5	Never	1

The above table show that the point is given certain weight in order to analyse the data and conclude in which problem the user is mostly faced and which is least faced.

TABLE 4.16

WEIGHED AVERAGE CALCULATION

SL NO	PROBLEM	WEIGHED AVERAGE	RANK
1	Technical problem	3.12	2
2	Inaccessibility	2.87	3
3	Slow processing	3.25	1
4	Lack of privacy	2.42	4
5	Monetary loss	2.05	5

INTERPRETATION

It is clear from the analysis that the main security problem faced by the users is slow processing. And the latest problem in their opinion is the monetary loss.

CORRELATION BETWEEN MALE AND FEMALE USAGE OF THE ONLINE BANKING SERVICES

The male and female usage of the online banking services is analysed by using correlation method.

TABLE 4.17
**MALE AND FEMALE USAGE LEVEL OF THE ONLINE BANKING
SERVICES**

PERIOD	MALE	FEMALE
Daily	6	2
Weekly	12	5
Monthly	20	15

(Source; Primary data)

INTERPRETATION

$$\begin{aligned} \text{Co-efficient of correlation (r)} &= \frac{n \sum xy - (\sum x \times \sum y)}{\sqrt{n \sum x^2 - (\sum x)^2} \times \sqrt{n \sum y^2 - (\sum y)^2}} \\ &= \mathbf{0.97} \end{aligned}$$

As the correlation coefficient is 0.97, we have a high degree of positive correlation .it can be confirmed that there us high degree of positive correlation in the male and female usage of online banking services.

CORRELATION BETWEEN FEMALE AND MALE ATTITUDE TOWARDS THE COST OF ONLINE BANKING SERVICES.

The male and female attitude towards the cost of online banking services is analysed by using correlation method

TABLE 4.18

MALE AND FEMALE ATTITUDE TOWARDS THE COST OF ONLINE BANKING SERVICES

BASE	High cost	Medium cost	Normal cost
MALE	6	16	19
FEMALE	4	9	6

(Source; Primary data)

INTERPRETATION

$$\text{Co-efficient of correlation (r)} = \frac{n \sum xy - (\sum x \times \sum y)}{\sqrt{n \sum x^2 - (\sum x)^2} \times \sqrt{n \sum y^2 - (\sum y)^2}}$$

$$= 0.653$$

There is a high degree of positive correlation (0.98) between male and female attitude towards cost of online banking services.

ANALYSIS ON THE PROBLEMS OF ONLINE BANKING.

The problems of online banking is tested by using percentages and presented the result with the help of chart

TABLE 4.19

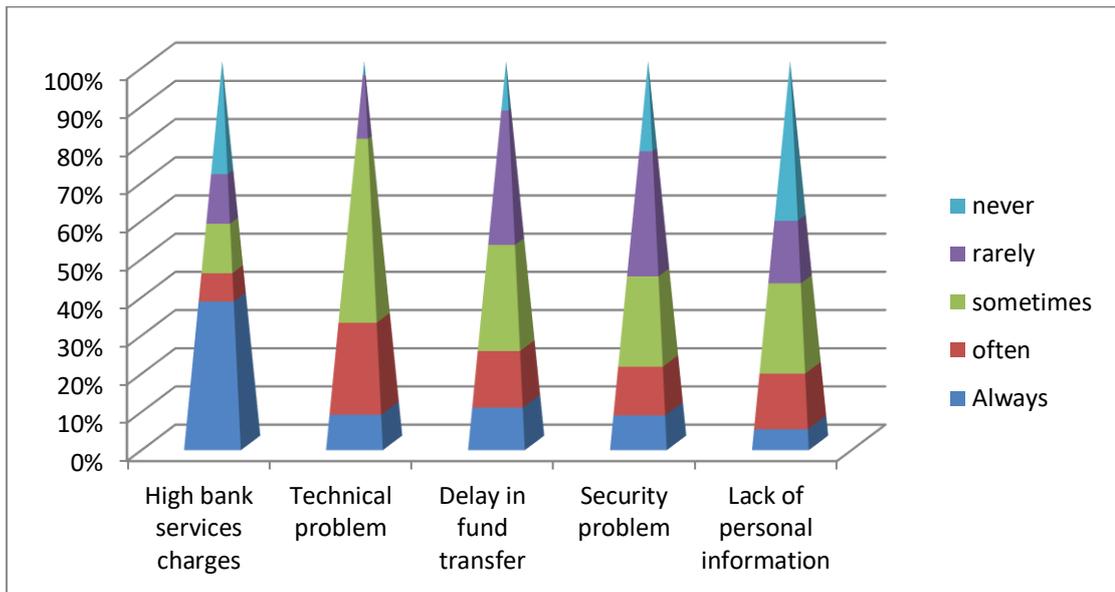
SL NO	PROBLEMS	ALWAYS	OFTEN	SOMETIMES	RARELY	NEVER
1	High bank charges	21	4	7	7	16
2	Technical problem	5	13	26	9	2
3	Delay in fund transfer	6	8	15	19	7
4	Security problem	5	7	13	18	13
5	Loss of personal information	3	8	13	9	23

(Source; Primary data)

INTERPRETATION

It is clear from the table that the main disadvantages of online banking are high bank charges, technical problem and security problem. And the problem is lack of personal information.

CHART 4.8
PROBLEMS OF INTERNET BANKING



RANKING OF FACTORS INFLUENCED IN ONLINE BANKING

TABLE 4.20

FACTORS	4	3	2	1	SCORE	WEIGHTED AVERAGE	RANK
INTERNET	40	10	7	3	207	3.45	1
TELEVISION	36	11	7	6	197	3.28	2
OTHERS	29	22	5	4	196	3.26	3
FREINDS/REL ATIVES	31	15	8	6	191	3.18	4

INTERPRETATION

According to above table internet is the most important factor which is influenced in online baking with total score of 207. Second important factor is TV with a total score of 197. The third rank is given to others having total score of 196. Fourth rank is given to friends and it has a total score 191.

RATING OF THE QUALITY OF INTERNET BANKING SERVICES

The quality of internet banking services provided by the bank is analysed here by using percentages and the result showing in chart.

TABLE 4.21: RATING THE QUALITY OF INTERNET BANKING SERVICES

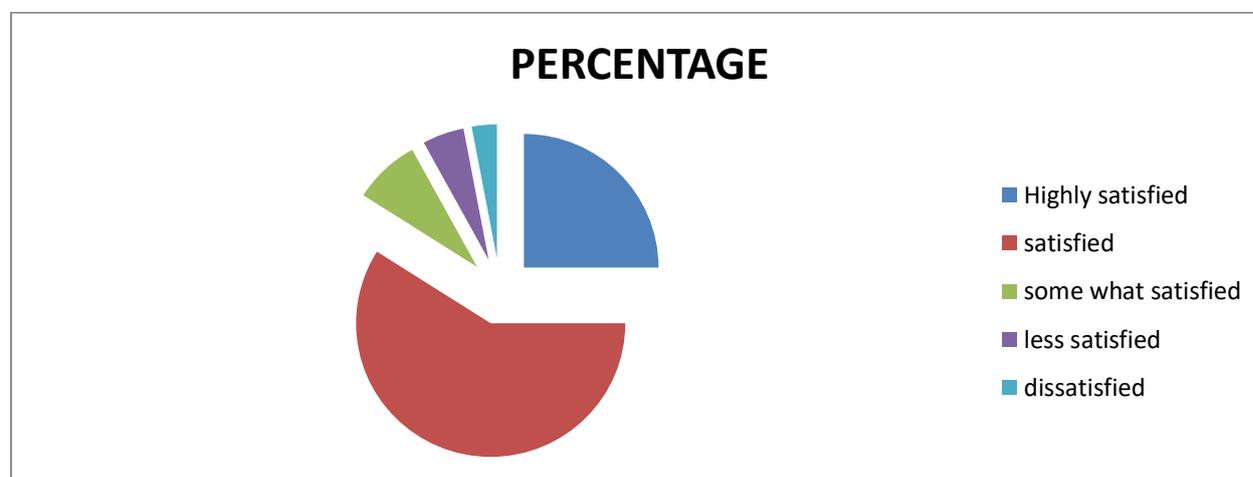
SL NO	BASIS	NO:OF RESPONDENT	PERCENTAGE
1	Highly satisfied	15	25
2	Satisfied	35	59
3	Moderately	5	8
4	Less satisfied	3	5
5	Dissatisfied	2	3
	TOTAL	60	100

(Source; Primary data)

INTERPRETATION

It is clear from that 59% of users are satisfied with the quality of the services provided by the bank and 25% are highly satisfied. Only 5% are of being less satisfied with services quality provided by the bank.

CHART 4.9: RATING THE QUALITY OF INTERNET BANKING SERVICES



ANALYSIS ON THE CONSUMER ISSUES OF INTERNET BANKING

The consumer issues of internet banking is analysed by using percentages is done here and the result being represented diagrammatically.

TABLE 4.22

CONSUMER ISSUES

ISSUES	ALWAYS FELT	OFTEN FELT	SOMETIMES FELT	RARELY FELT	NEVER FELT
Un awareness of internet access	17	8	12	11	8
Lack of consumer internet access	11	9	21	11	4
Lack of internet confidence	14	6	18	14	4
Difficult initial set up procedure	19	9	14	9	5
Lack of security and privacy risk	5	7	18	11	15

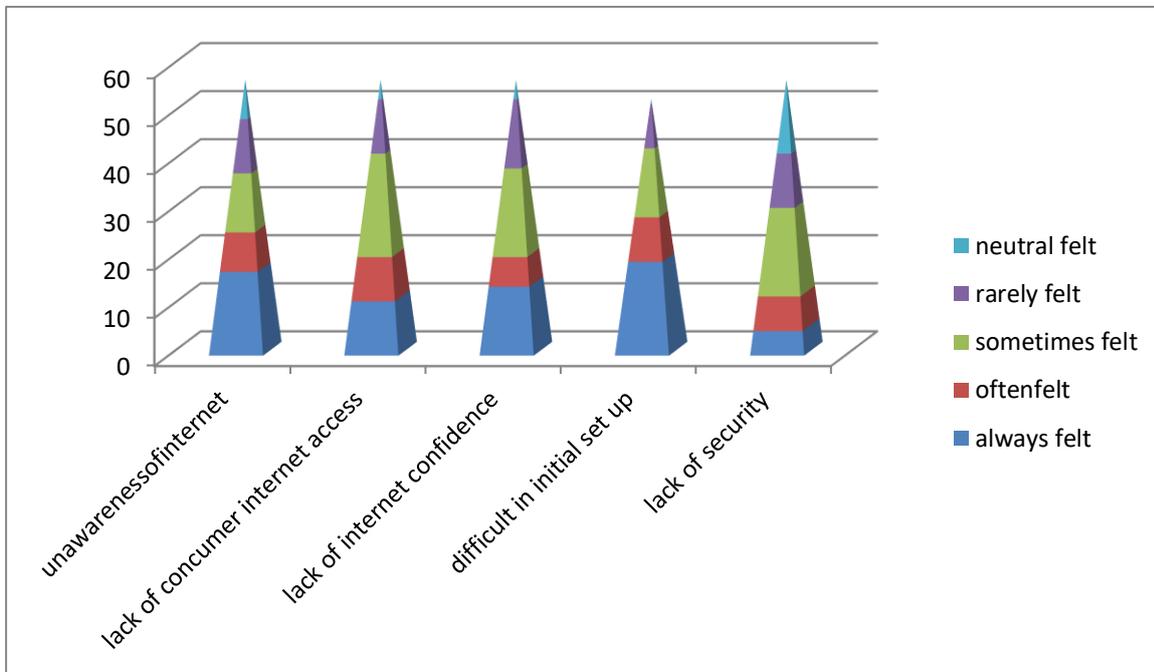
(Source; Primary data)

INTERPRETATION

From the above table it is clear that based on the users attitude, un awareness of internet banking is the most felt consumer issue. And sometimes it is felt that all consumer issue are same impact.

CHART 4.10

CONSUMER ISSUES



CHAPTER 5
SUMMARY, FINDINGS, SUGGESTIONS
AND CONCLUSION

SUMMARY

Through the previous chapter we have seen the introduction and the relevance of the study and the importance of the study. The main objective of the study is to study the attitude of professionals towards internet banking services. For this purpose I have collected data from primary as well as secondary sources. The important tool for the data collection is pre test questionnaire. For the detailed analysis of data certain tool like percentages correlation, ANOVA, and weighed average are used. In order to present the data some tools of presentation like bar diagram pie chart, pie diagram etc are used. The sample size of the study and the time factor could considered as the main limitation of the study. The analysis and interpretation is based on the sample.

The third chapter provides you a brief description about the internet banking, its advantages, disadvantages etc. the clearly intends that the modern world is getting lot of advantaged through internet banking

FINDINGS

- Most of the users select online banking is due to less time requirements and verity of services
- There is no significance difference between usage levels of different type of professionals.
- There is significant difference between satisfaction levels of different type of professionals.
- Some of internet banking services like bill payment loan application etc is well rated as per security norms.
- The main secured services among online banking are balance checking
- Main security problem faced by the users is slow processing and technical problem
- There is a high degree of positive correlation between male and female attitude towards the time of usage
- The male and female correlation towards the cost of online banking is highly positive
- The most of the users holding account in federal bank
- Internet is the most influenced factor among the respondent.
- The main disadvantages of the online banking are high bank charges and technical problem
- 59% of the users are satisfied in the quality of online banking services
- The users are felt some consumer issues like un awareness of internet banking, lack of internet confidences.
- It was observed that majority of the users are male
- Most of the respondents are in the age group between 40-50
- The 48% of users are teachers and 52% are other professionals
- The user sunder the income group of below 20000 are the main users of internet banking
- 33% of the respondents are post graduate holders.

SUGGESTIONS

- The bank should improve the female participation in internet banking usage.
- Making more secure of internet banking transaction will attract more users.
- Providing effective education regarding internet banking will avoid most of the consumer issues.
- Retain the internet banking users by providing better customer services.
- Maintaining the quality of services will make internet banking more popular.
- Internet banking facility should be provided in rural areas
- Provide protection against the misuse of account by others
- Send e-mail or SMS communications to customer about new online services.
- Measures should be taken for avoiding technical problems
- Simplify the procedure of online banking
- Security system should be improved

CONCLUSION

The internet banking is a term used to describe banking transactions that are performed via a secured internet application. Internet banking transactions include such things as paying bills, transferring funds, viewing account statement and paying down loans. Although internet banking has been popular among young internet savvy people for many years, its popularity is expected to grow rapidly as internet usage grows internationally and people discover the many advantages that it provides.

The research had been conducted in order to study the attitude and usage level regarding internet banking and to evaluate their satisfaction level on the services offered by the bank. Now a day a proper and efficient internet banking system only provided by the bank is well satisfactory in nature. The banks could bring more security measures to improve the trust among customers regarding internet banking. And the bank could give proper education regarding internet, its advantages and its importance in the present life. That will promote internet banking.

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BIBLIOGRAPHY

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APPENDIX

QUESTIONNAIRE

Dear Respondent,

This questionnaire is a part of research project being carried out by **SHAFNAS**, 6th semester **M.com** student, studying in **SAHYA ARTS AND SCIENCE COLLEGE**. The area being studied is the **ATTITUDE AND USAGE LEVEL OF ONLINE BANKING SERVICES AMONG PROFESSIONALS**. Please read all questions carefully before answering. Answer the questions as completely and honesty as possible. All your answers are kept confidential and are very important in my research. Your cooperation in completing this study by responding to following questions would be greatly appreciated.

1. Name:
2. Age: Below 30 30-40 40-50 50-60 Above 60
3. Gender: Male Female
4. Occupation: Teacher Doctor Lawyer Other
5. Marital Status: Married Unmarried
6. Monthly Income: Below 20000 20000-30000 30000-40000
40000-50000 Above 50000
7. Educational qualification: SSLC Graduate
Post graduate Above post graduate
8. Do you have an online banking habit?
Yes No
9. Do you think online banking has made your life easier?
Yes No
10. Do you agree online banking facilities are more convenient when compared with traditional banking?
Strongly agree Agree Neutral Disagree strongly disagree
11. In which bank you are holding account?
SIB SBI Federal bank Other
12. Would you like to compare it with other banks internet banking services?
Excellent Very good Good Average Poor

13. What are the factors motivates you for using online banking services

(Please tick the following in the order of; most important, important, neutral, less important and unimportant)

Factors	MI	I	N	LI	UI
Less time					
Good quality					
Inexpensive					
Variety of services					
Conveniences					
Security					

14. Which type of online banking services are you using:

Service	Always	Often	Sometimes	Rare	Never
Online bill payment					
Loan application					
Investment activity					
Ticket booking					
Check balances online					

15. Rate your satisfaction level with the internet banking services;

(Please tick highly satisfied, satisfied, moderately satisfied, less satisfied, and disappointed)

Service	HS	S	MS	LS	DS
Transfer of fund					
Loan application					
Investment activity					
Ticket booking					
Online shopping					
Paying bills					

16. Rate your services as per security norms;

(please tick; Highly secure, secure, moderate, less secure, un secure)

Services	HS	S	M	LS	US
Bill payment					
Loan application					
Investment activity					
Balance checking					
Ticket booking					
Fund transfer					

17. Whether you faced any security problem while using online services;

Problems	Always	Often	Sometimes	Rarely	Never
Technical problem					
Inaccessibility					
Slow processing					
Lack of privacy					
Monetary loss					

18. How often do you use online banking services

Daily Weekly Monthly

19. Would you recommend others to use online banking services

Definitely maybe Never

20. Rate the cost of online services offered by the bank

High cost Medium cost Normal cost

21. In your opinion what are the problems of internet banking services

Disadvantages	Always	Often	Sometimes	Rare	Never
High bank service charges					
Technical problem					
Delay in fund transfer					
Security problems					
Loss of personal information					

22. Which factor influenced you more towards online banking .Rank the following attributes?

Factor	Rank
Friends/Relatives	
Internet	
TV	
Others	

23. Rate the internet banking service quality provided by the bank

- Highly satisfied
- Satisfied
- Somewhat satisfied
- Less satisfied
- Dissatisfied

24. In your opinion whether you feel any consumer issues related with internet banking;

(Please tick the following in the order of; always felt, often felt, sometimes felt, rarely felt, neutral felt)

Issues	AF	OF	SF	RF	NF
Unawareness of internet access					
Lack of consumer internet access					
Lack of internet confidence					
Difficult initial set up procedure					
Lack of security and privacy listing					

25. Kindly note your suggestions for improving online banking service provided in your bank

- 1.....
- 2.....
- 3.....