

A Study on Outreach of Internet Banking in Kerala with Special Reference to Alathur Thaluk

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ABSTRACT

Swift technological changes are taking place in the banking field. One of such revolutionary changes is Internet Banking. Bank receives instructions and delivers its products and services to customers through internet and this is generally termed as Internet Banking. Nowadays Internet Banking is the outlet to let out banking services to their customers. But even today a chunk of customers have marginally adopted this service and carryout banking transactions in traditional ways. This paper aims to study the extent up to which internet banking services are outreached among the customers. Convenient sampling method is used for the selection of samples and chi square test is used to analyze the data.

INTRODUCTION

Technology plays an important role in banking sector. To cope with modern technology and faster delivery of banking services the banks adopt Internet banking. Cost effective delivery mechanism, convenience, speed of operation and security are the main attractions of Internet Banking. Internet banking services are capable of providing unique banking services to customers.

Easy access to internet and World Wide Web has transformed the world into a global village. Nowadays internet is the outlet to let out banks value added services to their customers. Banks make use of internet to give banking services to customers very quickly and conveniently. Any

customer can access his bank account without physically accessing a bank's branch. Internet is the connecting link between bank and their customers. Bank receives instructions and delivers their products and services to customers through internet and this is generally termed as Internet Banking. Today most of the customers accessing their bank account through internet banking and makes transactions like cash withdrawals, payment of bills, checking account balance and taking mini statements etc.

All public sector and private sector banks divert their effort on enhancing Internet banking services because it takes away the traditional regional barriers-as it could reach out to customers from remote areas too. There has been a tremendous progress in the acceptance of Internet Banking. But even today a chunk of customers have marginally adopted these services and carryout banking transactions in traditional way. Hence this paper aims to study the extent up to which internet banking services are outreach among the customers.

STATEMENT OF THE PROBLEM

Internet Banking is the important e- services of commercial banks. Internet banking services have not properly reached to customers yet. Perception of different customers about Internet Banking is different. The paper study the usage of internet banking facility among customers of Alathur thaluk in Kerala

OBJECTIVE

1. To find the usage of internet banking among the customers.

HYPOTHESIS

1. There is no significant difference between gender and usage of internet banking.
2. There is no significant difference between occupation and usage of internet banking.
3. There is no significant difference between income and usage of internet banking.

4. There is no significant difference between educational qualification and usage of internet banking.

METHODOLOGY

The study depends on primary data. The primary data is collected from the customers of nationalized and private banks in Alathur thaluk. Two nationalized and two private sector banks are selected randomly for this purpose. Convenient sampling method was used for the selection of respondents. Questionnaire was used to collect data from the respondents. 130 questionnaires are distributed among respondents, out of which 105 questionnaires are found valid for analysis. Chi-square method was used for analyzing the data.

DATA ANALYSIS

Table No.1: Gender of the respondents * usage of internet banking among the respondents

Crosstab

			usage of internet banking among the respondent		Total
			No	Yes	
Gender of the respondent	Male	Count	41	18	59
		% within sex of the respondent	69.5%	30.5%	100.0%
		% within usage of internet banking among the respondent	58.6%	51.4%	56.2%
		% of Total	39.0%	17.1%	56.2%
	female	Count	29	17	46
		% within sex of the respondent	63.0%	37.0%	100.0%
		% within usage of internet banking among the respondent	41.4%	48.6%	43.8%
		% of Total	27.6%	16.2%	43.8%
Total		Count	70	35	105

% within sex of the respondent	66.7%	33.3%	100.0%
% within usage of internet banking among the respondent	100.0%	100.0%	100.0%
% of Total	66.7%	33.3%	100.0%

Source: Primary data

Table No.1.2: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.484 ^a	1	.487		
Continuity Correction ^b	.237	1	.626		
Likelihood Ratio	.482	1	.487		
Fisher's Exact Test				.535	.313
Linear-by-Linear Association	.479	1	.489		
N of Valid Cases	105				



When reading this table we can see that $p = .487$. Hence we accept the null hypothesis. This tells us that there is no statistical significant association between gender and use of internet banking.

Figure 1

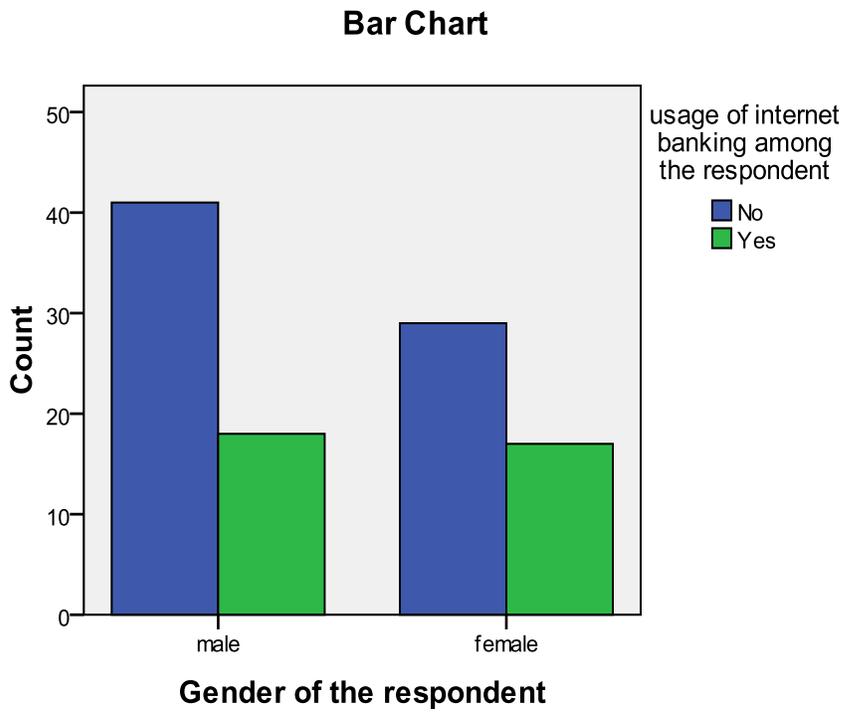


Table No.2: occupation of the respondent * usage of internet banking among the respondent

Crosstab

			usage of internet banking among the respondent		Total
			No	Yes	
occupation of the respondent	Govt	Count	22	10	32
		% within occupation of the respondent	68.8%	31.3%	100.0%
		% within usage of internet banking among the respondent	31.4%	28.6%	30.5%
		% of Total	21.0%	9.5%	30.5%
	Private	Count	31	13	44
		% within occupation of the respondent	70.5%	29.5%	100.0%
		% within usage of internet banking among the respondent	44.3%	37.1%	41.9%
		% of Total	29.5%	12.4%	41.9%
	Business	Count	17	12	29
		% within occupation of the respondent	58.6%	41.4%	100.0%
		% within usage of internet banking among the respondent	24.3%	34.3%	27.6%
		% of Total	16.2%	11.4%	27.6%
Total	Count	70	35	105	
	% within occupation of the respondent	66.7%	33.3%	100.0%	
	% within usage of internet banking among the respondent	100.0%	100.0%	100.0%	
	% of Total	66.7%	33.3%	100.0%	

Source: primary data

Table No2.1

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.191 ^a	2	.551
Likelihood Ratio	1.170	2	.557
Linear-by-Linear Association	.659	1	.417
N of Valid Cases	105		

When reading this table we can see that $p = .551$. Hence we accept the null hypothesis. This tells us that there is no statistical significant association between occupation and use of internet banking.

Figure2

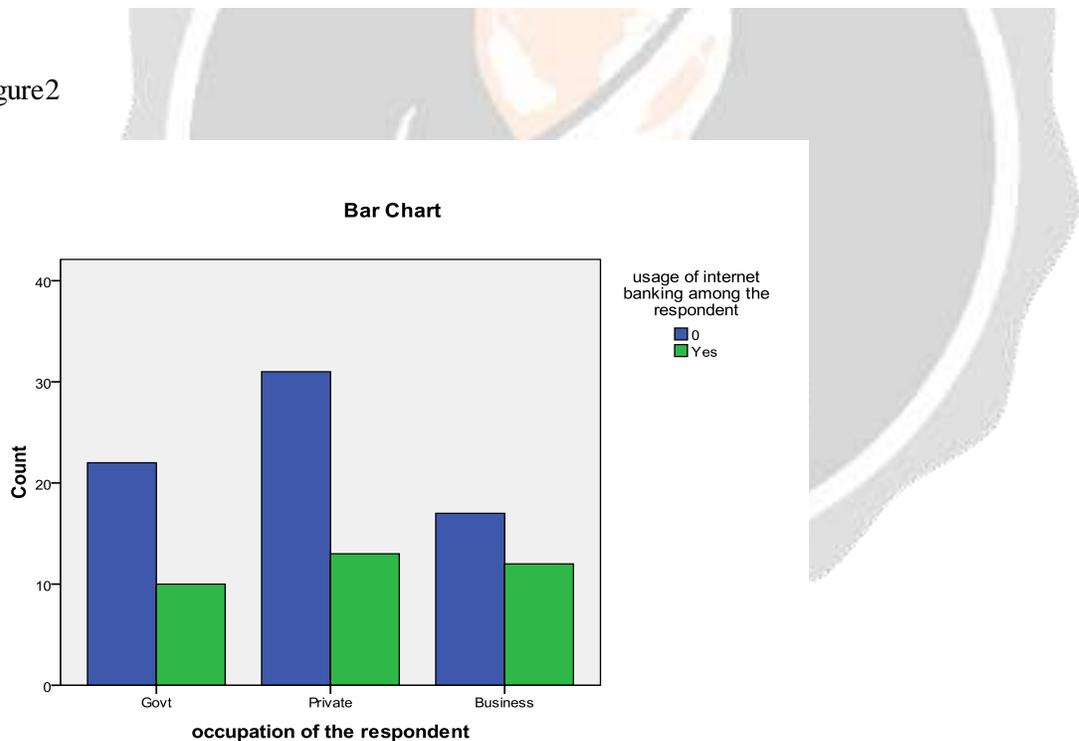


Table No.3: Income of the respondent * usage of internet banking among the respondent

			usage of internet banking among the respondent		Total
			No	Yes	
income of the respondent	Below 10000	Count	20	5	25
		% within income of the respondent	80.0%	20.0%	100.0%
		% within usage of internet banking among the respondent	28.6%	14.3%	23.8%
		% of Total	19.0%	4.8%	23.8%
	10000 to 20000	Count	29	9	38
		% within income of the respondent	76.3%	23.7%	100.0%
		% within usage of internet banking among the respondent	41.4%	25.7%	36.2%
		% of Total	27.6%	8.6%	36.2%
	Above 30000	Count	21	21	42
		% within income of the respondent	50.0%	50.0%	100.0%
		% within usage of internet banking among the respondent	30.0%	60.0%	40.0%
		% of Total	20.0%	20.0%	40.0%
Total	Count	70	35	105	
	% within income of the respondent	66.7%	33.3%	100.0%	
	% within usage of internet banking among the respondent	100.0%	100.0%	100.0%	
	% of Total	66.7%	33.3%	100.0%	

Source: Primary data

Table No.3.1 Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.842 ^a	2	.012
Likelihood Ratio	8.820	2	.012
Linear-by-Linear Association	7.408	1	.006
N of Valid Cases	105		

When reading this table we can see that $p = .012$. Hence we reject the null hypothesis. This tells us that there is statistical significant association between income and use of internet banking.

Figure 3

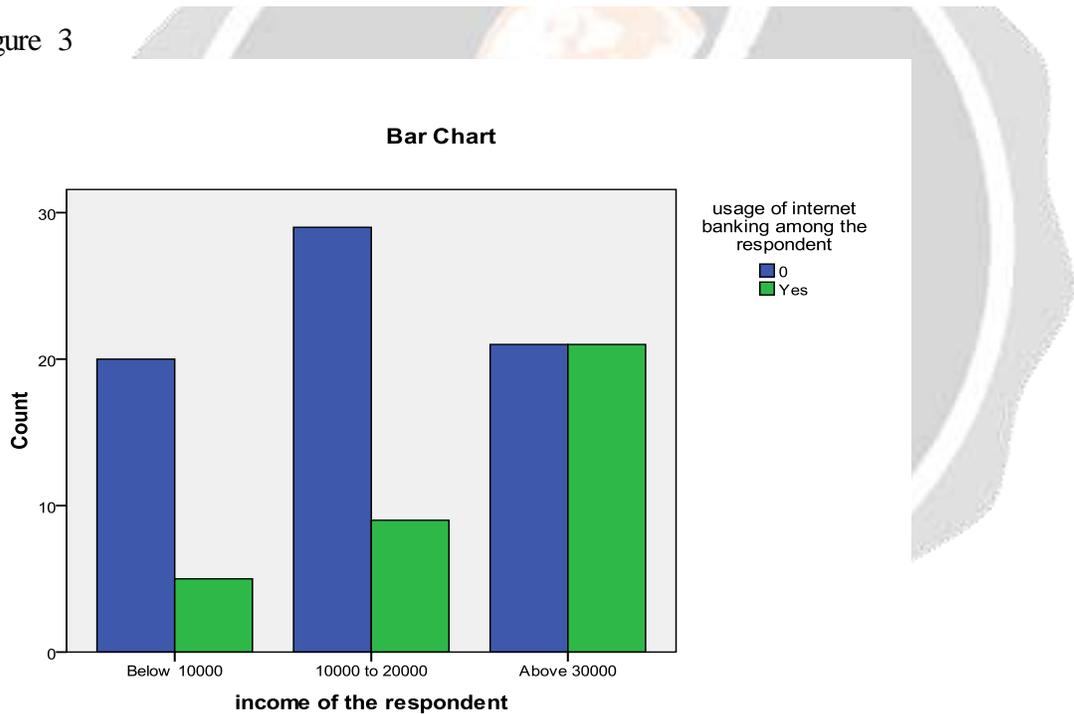


Table No.4: Education qualification of the respondent * usage of internet banking among the respondent

Crosstab

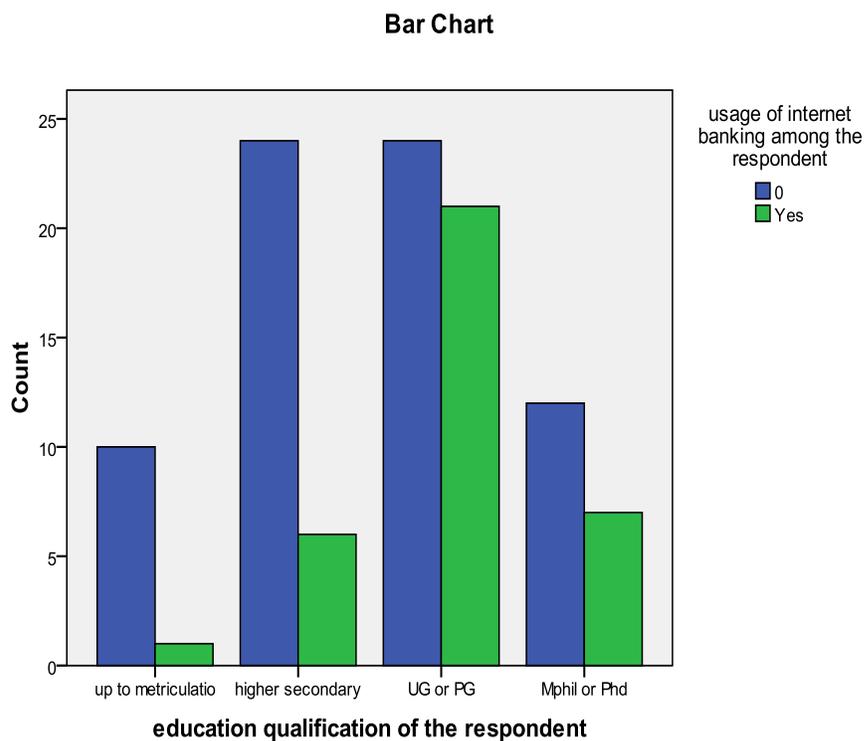
			usage of internet banking among the respondent		Total
			No	Yes	
education qualification of the respondent	up to metriculatio	Count	10	1	11
		% within education qualification of the respondent	90.9%	9.1%	100.0%
		% within usage of internet banking among the respondent	14.3%	2.9%	10.5%
		% of Total	9.5%	1.0%	10.5%
	higher secondary	Count	24	6	30
		% within education qualification of the respondent	80.0%	20.0%	100.0%
		% within usage of internet banking among the respondent	34.3%	17.1%	28.6%
		% of Total	22.9%	5.7%	28.6%
	UG or PG	Count	24	21	45
		% within education qualification of the respondent	53.3%	46.7%	100.0%
		% within usage of internet banking among the respondent	34.3%	60.0%	42.9%
		% of Total	22.9%	20.0%	42.9%
Mphil or Phd	Count	12	7	19	
	% within education qualification of the respondent	63.2%	36.8%	100.0%	
	% within usage of internet banking among the respondent	17.1%	20.0%	18.1%	
	% of Total	11.4%	6.7%	18.1%	
Total	Count	70	35	105	
	% within education qualification of the respondent	66.7%	33.3%	100.0%	
	% within usage of internet banking among the respondent	100.0%	100.0%	100.0%	
	% of Total	66.7%	33.3%	100.0%	

Table No.4.1: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.014 ^a	3	.029
Likelihood Ratio	9.751	3	.021
Linear-by-Linear Association	5.394	1	.020
N of Valid Cases	105		

When reading this table we can see that $p = .029$. Hence we reject the null hypothesis. This tells us that there is statistical significant association between educational qualification and use of internet banking.

Figure 4



FINDINGS

Internet banking in Kerala is in its nascent stage. It is evident from the analysis of primary data that only 33.3% of the respondents are using internet banking. There is no significant statistical relationship between gender and use of internet banking. Relationship between occupation of the respondents and use of internet banking is also not significant. The study shows that there is a significant relationship between the educations of the respondent and use of internet banking. Relationship between income and use of internet banking is also significant.

CONCLUSIONS

The rationale behind this study is to know the extend up to which internet banking is outreached. Gender and profession have any significant statistical relationship with usage of internet banking. Usage of internet banking in highly educated and high income group is more. Highly educated and high income groups are swiftly adopting modern banking facility. All groups of the society are not using internet banking. Usage of internet banking is confined to highly income and high educated people.

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