



Factors Influence On Satisfaction Of E - Banking Users - A Study With Reference To Commercial Banks In Theni District

Dr. S.BALAMURUGAN, M.Com., M.Phil., PGDCA., Ph.D., Vice-principal and Head, PG and Research Department of Commerce, C.P.A College, Bodinayakanur.

Dr. K.VNITHEESWARI, M.Com., M.Phil., PGDCA., Ph.D., Assistant Professor, PG and Research Department of Commerce, C.P.A College, Bodinayakanur.

ABSTRACT

This paper gives a brief analysis of the factor influence on satisfaction of e-banking users in commercial banks at Theni District. This study is an empirical research. The primary data were collected by personal interview of the selected respondents by using interview schedule. The primary data were collected from the bank customers directly during the month of August 2021 to January 2022. The researcher used convenient sampling method to collect data from the sample respondents. First hand data were collected from the respondents directly by the researcher himself with the help of an interview schedule. Percentage analysis and rotated matrix were used to analyse the data. This paper reveals that out of sixteen variables the Five factors were extracted namely "Efficiency Factor", "Reliability Factor", "Responsiveness Factor", "Security Factor" and "Empathy Factor". All the attributes are formed under each factor had high associations. High value of Kaiser-Meyer-Olkin measure of sampling adequacy (0.692) indicates the correlation between the pairs at variables explained by other variables and thus factor analysis was considered to be appropriate in this model. Cronbach's Alpha is more than 0.831 in all factors. The researcher interested to find out what are the factors influence the privacy issues in the E-banking websites of commercial banks in Theni district. Finally conclusions were drawn and suggestions were offered.

Keywords: E-banking, Rotated Matrix

INTRODUCTION

Indian banking industry has undergone tremendous changes ever since its origin in Indian soil. "Money makes money" is the basic idea of banking business. Banking sector as a whole takes a different form and structure over a period of its growth keeping its core business of "accepting deposits from public for the purpose of lending" intact. Inevitably this basic business function itself has to adopt more sophistication in order to achieve the twin objectives of conceptualisation the whole lot of banking function so as to make it more affordable to common man and to achieve the maximum return on investment (ROI) under the present competitive environment.

Originally the commercial banks in India were established under the private sector, Infact, they were intended to serve a few selected groups of people. Over the period of time, the scope of banking business has widened to serve thousands and thousands of people but still there is a large number of people entering into banking premises itself was only a dream. Interestingly the size and volume of banking companies were increasing on the one hand and the number of banking failures was also increasing on the other. Only in 1969 and shortly thereafter major banking companies in India were nationalised in order to accumulate national resources and to channelize them towards more productive activities. This radical change facilitates to extend the banking function to all knocks and corners of the country to cater the needs of both “haves and have nots” equitably and judicially. All barriers in opening new branches have been removed and India becomes one of the counties having best banking system all over the world.

In the mean time, the banking technology has been undergone tremendous changes all over the world due to information technological revolution. Further, core changes become inevitable to face the change reposed by new developments triggered by the entry of private and foreign banks in to India. The liberalization process initiated by the government of India has also brought about technological up gradation in financial sector as a whole. As a result, state-of- art technology is bound to be adopted in addition to the automating antiquated process. Speed and accuracy with which the financial data are processed due to the application of information technology offers the banking sector an opportunity to cope with information explosion. Recent development in the Indian political scenario also which altered the edifice of financial structure through the introduction of a new way of taxation (GST) replacing the conventional one and demonetization has also made great impact. No need to say print all this developments involved heavy capital investments in the form of sophisticated infrastructure facility as well as well trained man power forces. Apart from these the potential threat to be encountered by the inherent features in the form of cyber crime coupled with ignorance of customers, being vast majority of banking customers are still computer illiterate or lagging technical the usages of technical peripherals for their banking uses.

STATEMENT OF THE PROBLEM

To day banking functions have achieved a spectacular growth all over the world more so in India. The nationalization of commercial banks and entry of private and foreign third generation banks have facilitated the adoption of new techniques emanated out of information technogical boom in banking business. Almost all the functions of banks are computerized and customers personal contract has been narrowed down to a very little extent. Today customers need not go to banking premises for basic banking services. Modern technology has provided many opportunities to ease out complications and difficulties that were so far faced by common banking customers. At the same time new issues are erupted out due to the implementation of modern technologies. Security issues, legal issues and issues related consumers education in utilizing the banking services

are the common challenges to be encountered by the over all customers in general and customers living in rural areas in particular. Therefore, a study of factor influence on satisfaction of e-banking users of commercial banks to their customers is felt necessary as it is socially relevant. Hence the present study.

OBJECTIVES OF THE STUDY

To analysis the factors influencing level of satisfaction of e- banking users of commercial banks in Theni District.

REVIEW OF LITERATURE

Amit Shankar Charles Jebarajakirthy (2019), The findings showed that of the EBSQ dimensions, reliability along with privacy and security enhanced customer loyalty to e-banking. The initial trust in e-banking mediates the effects of EBSQ dimensions on customer loyalty except for website design. The mediation effects of initial trust varied between high and low-involved consumers. This study was conducted with e-banking users in one country using cross-sectional data. Hence, the model should be replicated among e-banking users in other countries and with the longitudinal data.¹

bdelLatef M. Anouze , Ahmed S. Alamro (2019), The statistical techniques revealed that several major factors, including perceived ease of use, perceived usefulness, security and reasonable price, stand out as the barriers to intention to use e-banking services in Jordan. A quantitative method employing a cross-sectional survey was used as an appropriate way of meeting the research objectives. The survey was distributed to bank customers in Amman, Jordan, collecting a total of 328 completed questionnaires. SPSS and AMOS software were used, and multiple regression and artificial neural networks were applied to determine the relative impact and importance of e-banking predictors.²

Yuni Nustini , Nurul Fadhillah (2020), This research aimed to explore factors that influence the use of e-banking and their effect on consumptive behaviour of the Moslem students of the Faculty of Economics Universitas Islam Indonesia (FE UII). The factors were Completeness of the Feature, Service Quality, Trust, Social Influence (IV), Use of e-Banking (MV), Consumptive Behavior (DV). The research accommodated convenience sampling. Through Google Forms obtained 120 FE UII students who used e-banking. SPSS 23 was used to test the data, hypothesis. Sobel test was used to verify the effect of mediating variable. With alpha of 0.05, results of the test showed that the association of all the four IVs to MV, and to DV; as well as MV to DV were supported. The F value was 0.000 while the adjusted R² was 0.320. The Sobel test indicated that Use of e-Banking was positive- significant toward Consumptive Behavior.³

SAMPLING DESIGN

Since the study was concerned with the factors influence on privacy issues in the e-banking websites of commercial banks in Theni district the researcher obtained the e-banking website of state bank of India. The sample size taken up for the limited to one

fifty (150) e-banking users of State Bank of India the researcher used convenient sampling technique. Convenient sampling refers to selecting a sample of study on objects based research convenience. However care was taken that all classes of customer such as salaried employee, businessman, professionals and household.

FIELD WORK AND COLLECTION OF DATA

Fieldwork for the study was conducted from August 2021 to January 2022. The primary data were collected by personal interview of the selected respondents by using an interview schedule. Before starting the actual data collection, the respondents were familiarised with the purpose and the objectives of the present study. The interview was quite informal and was in a conversational style. The interview schedule was administered in the vernacular language and the data were recorded by the researcher in the interview schedule. The interviews were conducted individually with each respondent, so as to avoid bias in response. Every possible care was taken to ensure the accuracy and reliability of information.

Analysis and Interpretation

Table 1: Demographic Consideration of the Respondents

1. Age	No. of Respondents	Percentages
Below 30	18	12.00
30-40	65	43.33
40-50	39	26.00
Above 50	28	18.67
Total	150	100
2. Gender	No. of Respondents	Percentages
Male	97	64.67
Female	53	35.33
Total	150	100
3. Level of Education	No. of Respondents	Percentages
Graduate	53	35.33
Post Graduate	61	40.67
Professional	36	24.00
Total	150	100
4. Occupation	No. of Respondents	Percentages
Private Employee	113	75.33
Government employee	37	24.67
Total	150	100
5. Marital Status	No. of Respondents	Percentages
Married	132	88.00
Unmarried	18	12.00
Total	150	100

Income Month		
Below 25000	23	15.33
25000-50000	84	56
50000-100000	36	24
Above 100000	7	4.67
	150	100
6.Types of account	No. of Respondents	Percentage
Saving bank account	79	52.70
Current account	58	38.62
Fixed deposit account	13	8.68
Total	150	100.00

Source: Primary Data

It is evident from Table 1 that a maximum of 43.33 per cent of the respondents are in the age group of 30-40 years, followed by 26.00 per cent of the respondents who are of 40-50 years, respondents with 12.00 per cent are of below 30 years, respondents with 18.67 per cent are above 50 years. The 64.67 per cent of the respondents are male and remain 35.33 per cent constituted female consumers. The out of 150 respondents, a maximum of 40.67 per cent of the respondents are Post Graduates, 35.33 per cent of the respondents are Graduates. The respondents with only Professional level constitute 24.00 per cent of the total. The maximum of 75.33 per cent of the respondents are Private employee, followed by 24.67 per cent of the respondents are Government employee. The out of 150 respondents, a maximum of 88.00 per cent of the respondents are Married, 12.00 per cent of the respondents are Unmarried. The out of 150 respondents 52.70 per cent them are savings account holders and 38.62 per cent of them are current account holders.

FACTOR ANALYSIS

As some of the statements have common components which correlated with one another because of the common factors. To find out the inter-relationship, factor analysis technique is to be adopted.

Factor analysis a tool applicable, when there is a systematic interdependence among a set of observed of manifest variables and the person is interested in finding out something more fundamental or latent which creates this communality. It seeks to resolve a large set of measured variables, in terms of relatively few categories, known as factors. A factor is an underlying dimension that accounts for several observed variables.

The meaning and name of such new variable is subjectively determined by the researcher. Since the factors happen to be linear combinations of data, the co-ordination of each observation or variable is measured to obtain the factor loadings. Such factor loadings represent the correlation between the variables and factors. When the sum of squared values of factors loadings relating to a factor is taken, such sum is referred to as

eigen value or latent root. Eigen value indicates the relative importance of each factor in accounting for the particular set of variables being analysed. For realistic results, the technique of rotation is adopted, because such rotation reveals different structures in the data.

Mathematically, factor analysis is somewhat similar to multiple regression analysis. Each variable is expressed as a linear combination of under-lying factors. The amount of variance, a variable share with all the other variables included in the analysis is referred to as communality. The co-variation among the variables is described in terms of a small number of common factors plus a unique factor for each variable. These factors are not observed. If the variables are standardised, the factor model may be represented as:

$$X_i = A_{i1}F_1 + A_{i2}F_2 + A_{i3}F_3 + \dots + A_{im}F_m + V_i U_i$$

Where,

- X_i = i^{th} standardised variable
- A_{ij} = Standardised multiple regression co-efficient of Variable I on common factor j
- F = Common factor
- V_i = Standardised regression co-efficient of variable I on unique factor
- U_i = The Unique factor for variable i
- M = Number of common factor

The unique factors are uncorrelated with each other and the common factors themselves can be expressed as linear combinations of the observed variables.

$$F_i = W_{i1}X_1 + W_{i2}X_2 + W_{i3}X_3 + \dots + W_{ik}X_k$$

Where,

- F_i = Estimate of i^{th} factor score co-efficient
- W_i = Weight of factor score co-efficient
- K = Number of variables

It is possible to select a weight or factor score co-efficient, so that the first factor explains the largest portion of the total variance. Then a second set of weights can be selected so that the second factor accounts for most of the residual variance, subject to being uncorrelated with the first factor. The same principle could be applied for selecting additional weights for the additional factors. Thus the factors can be estimated so that their factor scores, unlike the value of original value, are not correlated. Furthermore, the first factor accounts for the highest variance in the data, the second highest and so on.

The objective of factor analysis is dimension reduction to reduce the large set of correlated variables to few uncorrelated factor forming linear combinations of the variables. This helps to avoid redundancy.

To identify the factors influencing the level of satisfaction net banking user on e-services

Of SBI, an analysis with the help of factor analysis is attempted. Further to test the Factorability and the reliability of variables used, KMO and Bartlett's Test along with Cronbach's Alpha model were used.

Test of Factorability

The appropriateness of factor analysis is tested with the help of KMO and Bartlett's Test. The result of the analysis is presented in table 2

TABLE 2: RESULT OF RELIABILITY TEST

Number of item scale	Cron Bach's alpha
16	0.831

Source: Primary data

It is inferred from table 2 that Cronbach alpha coefficient is 0.831 suggesting that the 16 variables used in factor analysis have relatively high internal consistency. As it is great

than 0.7 is assumed that the variables used in factor analysis are reliable.

Factors Motivated the Respondents to Start Business

The factor analysis of the sixteen variables relating to the factors influencing level of Satisfaction towards e-banking with five factors and the results are presented in Table 3

Table 3 : Rotated Factor Matrix for Factors Motivating to Start Micro Enterprises

Sl. No	Name of the Factors	Variables	Cranach's Alpha	Eigen Value	Percentage of Variance	Factor Loadings	Communality
1	Efficiency factor	Bank website is accessible all the time	0.798	3.244	20.275	0.826	0.714
2		It is easy to find out all information on bank website				0.821	0.742
3		Speed to login-log out account is fast				0.729	0.600
4		Error occurs during the accessing online banking				0.685	0.714
1	Reliability Factor	Information provided on bank website is accurate	0.781	2.961	18.507	0.873	0.798
2		Language and information content on website or easy to understand				0.801	0.823
3		Security concern is the most discouraging factor in using E banking services				0.720	0.684
1	Responsiveness factors	Bank promptly solves any problems that occurs during online banking	0.717	2.207	13.796	0.853	0.760
2		Bank quickly confirm any online transaction through SMS service				0.757	0.747
3		If any error happen, bank is quick in locating and eliminating error				0.700	0.615
4		The writing time is very less in online transactions				0.462	0.751

1	Security Factor	Bank website is completely secured for personal information	0.721	2.036	12.727	0.816	0.74
2		Bank carefully collects personal information of customers				0.754	0.69
3		My bank guides me about security tips				0.530	0.51
1	Empathy Factor	Internet banking service understand the today need of the touch-savy generation	0.753	1.520	9.499	0.894	0.842
2		The working hours of the banks are suitable				0.781	0.787

Source: Computed Data

Factor 1: Efficiency Factors

Among the variable of expectations of the net banking namely 'efficiency factors' the variable such as 'Bank website is accessible all the time' ' It is easy to find out all information on bank websites 'Speed to login – log out account is fast' 'Error occurs during the accessing online banking' constituted Factor 1 with higher factor loading. These three variable with higher factor loading on Factor 1 characterized as 'Efficiency Factor'. All the three have a high communality indicating that the satisfactions within Factor1 have very high association among them. With regard to the factor, 'efficiency factor', the variables like 'Bank website is accessible all the time' and 'It is easy to find out all information on bank website' were the first and second highest factors with the loading of 0.826 and 0.821 respectively and a high communality of 0.714 and 0.742 respectively. The variable ' comfort' was the least factor with the loading of 0.685 and a low communality of 0.600.

Factor 2: Reliability Factors

Among the variables of expectation of the net banking namely 'Reliability Factors' the variable such as 'Information provided on bank website is accurate' 'Language and information content on website or easy to understand' 'Security concern is the most discouraging factor in using E banking services s' constituted factor 2 with higher factor loading. These two variables with higher factor loadings on Factor 2 is characterized a s "Reliability factors". All the three have a high communality indicaing that the satisfactions within Factor 2 have very high association among them. With regard to the factor, reliability factors, the variables like 'Information provided on bank website is accurate' and 'leanguage and information content on website or easy to understand' were the first and second highest factors with the loading of 0.873 and 0.801 respectively and a high communality of 0.798 and 0.823 respectively. The variable security concern is the most discouraging factor in using E-banking services' was the least factor with the loading of 0.720 and low communality of 0.684.

Factor 3: Responsiveness factors

Among the variables of expectations of the net banking namely 'Responsiveness factors' the variables such as 'Bank promptly solves any problem that occurs during online banking' 'Bank quickly confirm any online transactions through SMS service' constituted Factor 4 with higher factor loading. These two variables with higher factor loading on Factor 4 is characterized as 'Responsiveness factors'. All the two have a high communality indicating that the attributes with in Factor 3 have very high association among them. With regard to the factor, comfort factors, the variables like 'Bank promptly solves any problem that occurs during online banking' and 'Bank quickly confirm any online transactions through SMS service' were the first and second highest factors with the loading of-0.853 and 0.758 respectively and high communality of 0.760 and 0.747 respectively completely secured for personal information'. All the three have a high communality indicating that the satisfaction within Factor 3 have very high association among them.

Factor 4: Perceived Risk

Among the variable of expectations of the E-banking namely 'Security factors' the variables such as 'Bank website is completely secured for personal information' 'Bank carefully collects personal information of customers' constituted factor 3 with higher factor loading. These two variables with higher factor loadings on Factor 3 is characterized as 'Bank website is completely secured for within Factor 4 have very high association among them. With regard to the factor, security factors, the variables like 'Bank website is completely secured for personal information' and 'Bank carefully collects personal information of customers' were the first and second highest factors with the loading of 0.818 and 0.811 respectively and a high communality of 0.805 and 0.778 respectively.

Factor 5: Empathy Factor

Among the variable of expectations of the net banking namely 'empathy factor' the variables such as 'Internet banking service understand the today need of the touch – savvy presentation' 'The working hours of the banks are suitable' constituted Factor 2 with higher factor loading. These two variables with higher factor loadings on Factor 2 is a characterized as 'Internet banking communality indicating that the satisfaction within Factor 5 have very high association among them. With regard to the factor, empathy factor the variables like 'Internet banking service understand the today need of the touch – savvy generation' and ' The working hours of the banks are suitable' were the first and second highest factors with the loading of 0.894 and 0.781 respectively and a high communality of 0.842 and 0.787 respectively.

The Eigen value for the first factor Security Concern is 3.244, which indicates that the factor contains much higher information than the other factor. The percentage of variance is 20.75. Security Concern provides maximum insights into the respondents in the study area.

The second and third factors namely Trust and Familiarity of cyber crimes for 13.796 and 18.507 per cent variance with Eigen values of 2.642 and 3.573 respectively. The fourth factors namely Perceived Risk 12.727 per cent variance with Eigen values of 2.036. The fifth factors namely Perceived Risk 9.499 per cent variance with Eigen values of 1.520.

CONCLUSION

This study has identified four factors that are significant in studying the user perception of security issues in e-banking websites of state bank of India. It has also identified significant variables under these four factors. It is concluded from the findings of the study that there is a significant difference in the familiarity levels on the cyber-crimes and the privacy issues associated with them based on the usage frequency of internet and e-banking portals. The more a user uses internet and the e-banking sites, the more respondent familiar with the cyber threats and conversely the new users are less familiar with the cyber threats. So, the e-banking websites should take special initiatives to

educate their new customers on the cyber threats and the precautions the user needs to take. Also, the e-banking websites should identify the less frequency users and should enhance their understanding on the cyber threats. This initiative of education to the new and less frequent users will enhance the trust of the users on the e-banking site and there by resulting in improved business generation.

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