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A Comparative Study on E –Banking Service of SBI and ICICI in Chennai District

Indumathi C
MBA, Department of Management Studies
Bharath Institute of Science and Technology,
Selaiyur, Chennai, Tamil Nadu 600 073
Bharath Institute of Higher Education and Research

ABSTRACT

In the current scenario technology has transformed tremendous change in the last few years which will have greater influence on E-banking. It is growing rapidly and this has shifted the bankers towards E-banking to attract and target the potential customers. Therefore most of the bankers started to promote their product and services through internet for their end users. This study mainly focuses on a comparative study between SBI and ICICI towards E- banking. This is an analytical study based on the primary data which is collectedthrough questionnaire. Thus the present study is initiated with an internet banking users towards service quality were carried out among 150 customers and the data was collected from SBI and ICICI in Chennai District. The Analysis like Percentage, Ranking, and ANOVA were used to know the various factors determining the quality towards banking sector.

Key Words: E-banking, Service Quality and Banking Sector.

1. INTRODUCTION

Due to increase in the service sector and increasing demand of the customers leads to measure the advancement in technology to satisfy the customer requirements. E- Banking has changed the face of banking worldwide. As the world is becoming more connected internet has become an integral part of the banking transaction through online. Today the amount of service that is conducted electronically using e-banking has increased with a wide spread usage of internet and technology. Internet banking plays a vital role which allows the customers to conduct financial transaction on a secure website operated by their banks. Information technology have changed their banking sector and shared to deliver their products and services directly to their customers through electronic communication channels.

One important utility in an economy is Banking Sector. Bankers are trying their best to improve their service quality in order to satisfy their customer with their service for their success and survival in the banking sector. Now- a- days bankers mainly focus on the e-banking services in order to fulfill the requirements and expectation of the customers. So therefore it is becoming difficult for the bankers to measure and manage the service effectively.

2. REVIEW OF LITRATURE

It highlights the study of previous literature regarding the E-banking and consumer perception; the previous study helps to get an idea about different approaches made by the earlier researches in the field and also to identify the research-gap. The following are the few reviews taken from the renowned authors work.

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Bauer, Malik& Falk (2007), examined the quality of E-Banking portals. In the internet economy, the business model of web portals has spread rapidly over the last few years for determining the customer’s evaluation of the portal’s service quality. Based on an empirical study in the field of e-banking the authors validate a measurement model for the construct of web portal quality based on the following dimensions: security and trust, basic services quality, cross- buying services quality, added value, transaction support and responsiveness. Author found out various dimensions can that can be reason for service categories they are core services, additional services, and problem-solving services. Originality/value – The knowledge of these dimensions as major determinants of consumer’s quality perception in the internet provides banks a promising starting point for establishing an effective quality management for their e-businesses.

Haqueetal (2009), examined to know the channels to conduct the banking activity and the author found that Internet banking used the internet as the delivery channel to conduct banking activities like transferring funds, paying bills, viewing account statements, paying mortgages and purchasing financial certificates of deposits.

Uppal R K (2008) have analyzed the quality of e- Banking services in the changing environment by using 5 point scaling and ranking etc., Author concluded that most of the customers of e - banks are satisfied with the different channels and their services, but the lack of awareness is a major obstacle in the spread of e – banking services.

3. OBJECTIVE OF THE STUDY

1. To assess various aspects of services provided by the SBI and ICICI.
2. To determine and compare the extent of customer’s satisfaction with quality of banking services on the basis of different constituent factors
3. To find out the major problems faced by the customers while using e-banking services.

4. RESEARCH PROBLEM

E-Banking is a fundamental element for the inclusive growth to promote and it is vital to the future competitiveness for bankers. Rapid growth in E-banking sector is necessary to initiate the process of economic development of both developed and developing countries. Due to change in technology product and services are evolving and adapting to the online floor. So it’s difficult to target audience through traditional channels. So therefore bankers should match with the expectation of the customers and should adopt E-banking to satisfy their needs and to meet the competition among the bankers. Contribution of banker towards E-banking is essential for healthy nation building. Establishing the proper environment for banking sector advancement will lead to achieve economic development for prosperity and better life to people.

5. METHODOLOGY OF THE STUDY

This study is Descriptive in nature to explore the comparative study between SBI and ICICI through E-banking. The study based on both primary and secondary data. The primary data for the survey was collected through structured questionnaire, it consist of demographic profile of the customers and five point scaling questions related to consumer perception on service quality towards retail banking. The sample size of the research is restricted to 150 and convenient sampling techniques were adopted for collecting the data and the Secondary data were used by

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collecting published sources like magazine, books, journals etc., Data were analysis with suitable statistical tools like Percentage analysis, Chi – Square, and ANOVA were used to compare the various factors determining the E-Banking in various banks.

IMPORTANCE OF THE RESEARCH

E-banking plays a vital role in formulating inclusive economics growth and bringing sustainable development throughout the country. The changing lifestyle of Indian consumers is challenging the proficiencies of the banker to fathom their requirement and run into their expectation.so therefore bankers started playing vibrant role in E-banking and they should enhance their capabilities to improve E-banking and this enhances to banker to promote their product and services in online floor. So, therefore it is essential to examine the influential of the independent variables as the factors chosen is less towards the field of public relations, the perception and satisfaction based on customer

6. RESULTS AND DISCUSSIONS

The results of the study shed lights comparative study between SBI and ICICI banks towards e-banking services which enlighten on awareness, banking services towards e-banking.

DEMOGRAPHIC PROFILE OF THE CUSTOMERS

Demographic profile trend to play an important role in banking sector development. The demographic characteristics of the respondents are summarized in table-1 which helps to segment the customers in the market.

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

	PROFILE	FREQUENCY	PERCENTAGE
Gender	Male	114	76.0
	Female	36	24.0
Age	Below 25 years	34	22.67
	26 - 35 years	44	29.33
	36 – 45 years	32	21.33
	Above 45 years	40	26.67
Education	Graduation	35	23.33
	Post-Graduation	58	38.67
	Professional	45	30.0
	Others	12	8.0
Family	Nuclear family	85	56.67
	Joint family	65	43.33
Annual Income	Less than 2,00,000	45	30.0
	2,00,000 to 5,00,000	48	32.0
	5,00,000 to 8,00,000	34	22.67
	8,00,000 and above	23	15.33
Total		**150**	**100.0**

TABLE NO 1

The above tables present the socio-demographic profile of the consumers. As depicted, 76% of the respondents were male and 24% of respondents were female who are using e-banking services.

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Female were less aware about e-banking services while comparing mans and they doesn't trust internet transactions, with respect to the distribution of the age, it was evident that approximately 29.33 % of the respondent falls under the age group of 26 – 35years while 26.67% of the customers were between the age group of above 45 years and 45% have done their post – graduation which is followed by professional 38.68%. Among them most of the customer56.67% belongs to nuclear family. 32% of the respondents fall under the income group of Rs.2, 00,000 – Rs.5, 00,000. Therefore it is found man and customers between the age group of 26– 35 years have positive attitude towards E- banking services and they feel it save time and they have complete knowledge about internet.

CONSUMER PERCEPTION TOWARDS E-BANKING SERVICES
E- BANKING SERVICES PROVIDED BY BANKS

PARTICULARS		FREQUENCY	PERCENTAGE
Customers awareness towards e-banking services	Yes	135	90.0
	No	15	10.0
Promotional tools of E-banking	Internet banking	38	25.3
	Mobile banking	35	23.33
	One Line banking	20	13.33
	Debit card	48	32.0
	Others	9	6.0
Preference for choosing E- banking services	Good Services	63	42.0
	Cost Charges	30	20.0
	People References	40	27.0
	Others	17	11.0
Benefits availed while using E-banking services	Time Saving	56	37.33
	Inexpensive	14	9.33
	Easy Processing	25	16.67
	Easy Fund Transfer	55	36.67
Total		**150**	**100.0**

TABLE NO 2

In this study, out of 150 respondents, 90% of Respondents were aware about E-banking services and rests 10% of the respondent were not aware about e-banking services. 32% of respondents give more importance for the success of promotional tools through Debit card, followed by internet banking (25.3%), Mobile banking (23.33%), one line banking (13.33%) and 6% of respondent come to know by various promotional tools.E-banking products debit cards are mostly used by respondents because they are easy to use and do not require technical or computer knowledge. 63 respondents prefer Good services then cost charges and they prefer good services while comparing to cost. 37.33% of the respondent avail e-banking services for saving their time and 36.67% of the respondent feel that they can transfer the fund easily.

RANKING ATTRIBUTES OF E-BANKING SERVICES

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E-banking is one of the most powerful promotional tactics for banking sector.The Science behind E-banking is the key factors that drive growth in banking sectors i.e. enjoyable, trustworthy, informative , convenient, acceptable, entertaining, reliable, appropriate, time consuming. The above attributes are gathered with previous studies. Ranking the attributes helps to identify the attribute which influencing more in the mindset of customer. The results are given in table – 3.

ATTRIBUTES	WEIGHTED AVERAGE MEAN	RANK
Enjoyable	3.73	2
Trustworthy	3.28	7
Informative	3.75	1
Convenient	3.71	3
Acceptable	3.47	5
Entertaining	3.55	4
Reliable	3.21	8
Appropriate	3.34	6
Time consuming	2.71	9

TABLE NO 3

most important positive attribute of an E-banking is being informative (3.75), while the second most popular reason for enjoying (3.73), it is been followed by convenient (3.71), entertaining (3.55), acceptable (3.47), appropriate (3.34), trustworthy (3.28), reliable (3.21) are most important attributes which are considered while and time consuming (2.71) have negative attribute towards E-banking service. It is concluded from the above table bankers promote their service to their customers are more informative, enjoyable, convenient and entertaining way of online communication tool.

ANOVA

A statistical analysis tool that separates the total variability found within a data set into two components: random and systematic factors. The random factors do not have any statistical influence on the given data set, while the systematic factors do. The ANOVA test is used to determine the impact independent variables have on the dependent variable in a regression analysis.

ONE WAY ANALYSIS OFAWARENESS LEVEL OF E-BANKING AMONG CUSTOMERS OF SBI AND ICICI BANK

ANOVA					
	SUM OF SQUARES	DF	MEAN SQUARE	F	SIG.
Between Groups	324.745	4	1.632	49.385	.000
Within Groups	1512.508	125	72.024		
Total	6094.720	129	1.458		

TABLE NO 4

INFERENCE

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H_0 (Null hypothesis) = There is no significance difference between awareness of E- banking among customers of SBI and ICICI bank

H_1 (Alternate hypothesis) =There is significance difference between awareness of E- banking among customers of SBI and ICICI bank

.The above table shows that the effectiveness of ERP system based on satisfaction of the employee. The F value is 49.385and it is significant at the level of significance .000 at the degrees of freedom 4. In F test if the significant value is above 0.05 then Accept null hypothesis and reject the alternate hypothesis. And this study shows **there is no significance difference between awareness of E-banking among customers of SBI and ICICI bank**

ONE WAY ANALYSIS OF AWARENESS LEVEL OF CUSTOMERS TOWARDS SBI AND ICICI BASED ON THEIR GENDER

ANOVA					
	SUM OF SQUARES	**DF**	**MEAN SQUARE**	**F**	**SIG.**
Between Groups	1154.602	4	288.650	1.469	.216
Within Groups	24564.168	125	196.513		
Total	25718.769	129			

TABLE NO 5

INFERENCE

H_0 (Null hypothesis) = There is no significance difference between awareness of E- banking among customers of SBI and ICICI bank based on their gender.

H_1 (Alternate hypothesis) = There is significance difference between awareness of E- banking among customers of SBI and ICICI bankbased on their gender.

The above table shows that the effectiveness of ERP system based on satisfaction of the employee. The F value is 1.469 and it is significant at the level of significance .216 at the degrees of freedom 1. In F test if the significant value is above 0.05 then Accept null hypothesis and reject the alternate hypothesis. And this study there is no significance difference between awareness of E- banking among customers of SBI and ICICI bank based on their gender.

7. SUGGESTIONS

- Based on the finding the researcher has made the following suggestions:
- Banker should adopt the changing technology to full fill the expectation of the customers.
- Internet banking should be facilitated in all the branches of SBI and ICICI bank and they have to computerize all the banks in rural area.
- Private Banks should give trust to their customer towards E-banking services provided by them as public sector a bank provides.
- They should create user friendly environment for the employees and they must be capable of understanding the problems of their customers.

8. SUMMARY AND CONCLUSION

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E-Banking facilitates the customers to save their times, less effort to do and ease to do their transaction in pudukottai, due to change in the technology, majority of the customers started to use internet banking. The customers are from the various service classes. ICICI is an private sector bank and SBI is an public sector bank, so people trust public sector bank comparing to private sector banks (i.e., SBI is more trustable among the people while comparing to ICICI bank).The major difference in service quality arises mainly because of skilled human resource and culture of bank. ICICI bank has created efficiency and user friendly approaches to their customer and SBI has introduced more new innovative plans to satisfy their customers.

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