

# A Study On The Relationship Between Demographic Factors And Perception Of Internet Banking

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**Abstract:** *The term internet banking has been defined as banking services over the public network (the internet), through which customers can use different kinds of banking services ranging from the payment of bills to making investments. Most developed countries today, have adopted internet banking services while the developing countries are beginning to embrace these services. Customer education is also critical to the adoption of internet banking as some customers need to be aware of the benefits of these services and how to use them. Although internet banking provides a fast and convenient way to perform banking transactions, customers are still reluctant to adopt and make use of these online services. Contrary to the assertion by that “online banking is a disruptive innovation in banking industry”, some of the bank customers in developing countries are hesitant to adopt this innovation and are still keeping to the old paradigm of traditional branch banking. To popularise Internet Banking for meeting utility bills, vendors can provide some discount if payment is made through internet. Further if the Government makes certain transfers to be made online mandatorily, the usage may increase.*

**Keywords:** *Demographic, Perception, Awareness, Utilization etc....*

## 1. INTRODUCTION

The term internet banking has been defined as banking services over the public network (the internet), through which customers can use different kinds of banking services ranging from the payment of bills to making investments. Most developed countries today, have adopted internet banking services while the developing countries are beginning to embrace these services. In recent times, banks in sivakasi town have embraced information and communication technology in the delivery of their products and services. With the proliferation of internet, many of these banks are offering internet banking services to their customers, in a bid to provide convenience, and to remain competitive.

Internet banking has become a useful channel of banking adopted by most banks to serve their valuable customers. Contrary to the assertion by Njuguna, Ritho, Olweny, and Wanderi that “the adoption of internet banking as a platform for carrying out banking services has continued to rise globally”, most banks particularly, in developing economies such as Vijaya bank have recorded very low internet banking users over the years. Despite this impressive and rapid growth of internet usage with the significant increase in the use of smart phones in Vijay bank, the number of internet banking users remains relatively low as

compared to developed countries.

This is in contrast to a study by Stella, indicating that “an increase in the use of electronic banking services is due to increase internet penetration among the population”. The difference in these assertions is likely due to the fact that other factors aside the internet penetration rate lead to internet banking adoption. Some attractive features of internet banking service is the ability of customers to access their bank accounts from anywhere, at any time and to perform such transactions as balance enquiry, cheque book request, statement of accounts request and electronic funds transfer. Despite these convenient features, most customers prefer other channels of banking in Ghana, particularly the brick and mortar method of electronic funds transfer.

Customer education is also critical to the adoption of internet banking as some customers need to be aware of the benefits of these services and how to use them. Although internet banking provides a fast and convenient way to perform banking transactions, customers are still reluctant to adopt and make use of these online services. Contrary to the assertion by that “online banking is a disruptive innovation in banking industry”, some of the bank customers in developing countries are hesitant to adopt this innovation and are still keeping to the old paradigm of traditional branch banking. According to Kazi and Mannan , “in order to grow consumer internet banking adoption, banks must make key improvements that address consumer concerns”.

## 2. REVIEW OF LITERATURE

**Yang, J Cheng, L. and Luo, X. (2009)**<sup>9</sup> in their paper “*A comparative study on E-Banking services between China and USA*” made a comparative study about the issues in the current E-Banking services among the young consumers between China and USA. They used the Correlation Analysis tool for their research. They identified that the gap between two nations about the awareness and usage of E-Banking services is quite significant. Because of low competitive banking industry in China and lack of nationwide credit system, less available services and lower service quality are two critical problems faced in the Chinese banks. They also stated that Chinese customers are more willing and open to new availability of services (both in E-Banking service and in Mobile Banking service) of which US customers are less aware and more cautious, owing to the different cultures and traditions. Finally they concluded that, to upgrade to a more advanced level there are several emerging tasks to be targeted by the banks in China before the development of E-Banking industry.

**Devi and Malarvizhi (2010)**<sup>10</sup> in their paper entitled “*Customers’ perception of E-Banking: Factor Analysis*” investigated the level of awareness and the expectations of the customers towards E-Banking using the factor analysis. Six factors were identified as influencing factors of the adoption of E-Banking. The factors include consumers’ satisfaction towards the cost and quality, the second factor being the problems encountered by them and the third factor is the reliability on banks. The fourth factor stands for bank’s efficiency in delivering the services, the fifth factor being the negative factor on E-Banking usages which include high hidden cost and the sixth factor is the accessibility. Finally they concluded that the customers were very much satisfied with the quality of E-Banking services, but they did face technical as well as administrative and procedural problems. Among the E-Banking tools, only the ATMs are very popular, so the banks must take sternest efforts to promote the other E-Banking products too.

**Hasan A. H. M Saidul, Baten Azizul, Kamil Anton Abdulbasah and Parveen Sanjida (2010)**<sup>11</sup> in their paper “*Adoption of E-Banking in Bangladesh: An Exploratory*

*Study*”, aimed at determining the present scenario of E-Banking and banking sectors in Bangladesh. They also demonstrated the scope and benefits of E-Banking compared with the existing system. They addressed the significant gaps in existing knowledge about the Internet Banking and landscape. They tried to present the actual situation of E-Banking in the marketing point of view in Bangladesh. The results showed that E-Banking serves several advantages to Bangladeshi banking sector. However, this study also observed that the Bangladeshi customers have no enough knowledge regarding E-Banking which rendered by the banking sector in Bangladesh. So they finally recommended that it is the duty of the banks to first educate the customers about E-Banking and its dimensions. They have to make the customers realise the importance and advantages of E-Banking, which will be beneficial to the banks also.

**Alkibsi (2010)**<sup>12</sup> made a research on the topic “*Customer Perceptions of Technology-Based Banking Service Quality Provided by Banks Operating in Yemen*”. The researcher wanted to know whether a set of technology based banking service quality dimensions has an association with the customers’ satisfaction and their behavioural intentions or not. The dimensions included the Functionality, Enjoyment, Security, Assurance, Design, Convenience and Customisation. He used the Structural Equation Modeling and confirmed that customer satisfaction can be a consequence of service quality and it was a precursor to the behavioural intentions of the customers. Finally his research confirmed that customer satisfaction was important in technology based banking service. The banks which invest in technology with the expectation of their customers using these services must first try to provide quality services in order to attain their satisfaction. As a result of customer satisfaction, there may be a positive behavioural intention towards the newly introduced technologies.

### **3. SCOPE OF THE STUDY**

The scope of the study is restricted exclusively to Sivakasi town. The main scope is to study the Impact of demographic and perception on satisfaction level of customers in the various Net- Banking services of banks. Among the various Net-Banking services, the study is restricted to the satisfaction level of customers towards Internet Banking. This study is confined only to the users of these services. The study covers Sivakasi town. In Sivakasi town there are Many People of these areas accessing the Net-Banking services.

### **4. OBJECTIVES OF THE STUDY**

- To find out if gender influence the adoption of internet banking
- To measure the Satisfaction level of association between age, level of education and occupation on the adoption of internet banking.
- To know the perception of the users and Non-users of Net-Banking.

### **5. RESEARCH METHODOLOGY**

It is an empirical research based on the survey method. The survey is conducted to measure the relationship between demographic factors and perception of internet users. This study is based on both primary data and secondary data. The primary data are collected from 300 respondents who are using the E-Banking services such as Internet Banking, The secondary data are collected from Books, Journals and Websites.

## 6. DATA INTERPRETATION

### Factors Influencing the Satisfaction Level of Internet Banking Users

There are various facets of e-banking and among them the Internet Banking is the preferred service for anytime convenient banking. Banks have adopted Internet Banking as their new delivery channel aiming to provide 24 x 7 uninterrupted services. In simple words, it aims at bringing the bank to the doorsteps of the customer who has internet connection with him or her. The daily banking activities of the customers are carried out with the help of Internet Banking with certain clicks and touches within seconds. The factors influencing the satisfaction level of Internet Banking are presented in the following paragraphs.

### Relationship between Demographic Factors and Awareness and Utilisation of Internet Banking Services

There is an array of services offered under the platform of Internet Banking of the banks. But the question that could be raised here is that how far the users are aware of those services and making the utmost use of them. The details of the Awareness and Utilisation of these services were given in the previous chapter. Here the researcher has made an attempt to know whether the demographic factors play a substantial role in the respondents' Awareness and Utilisation Level or not using the Analysis of Variance tool. The hypothesis that is framed here is:

**H<sub>0</sub>: There is no significant relationship between the Demographic factors (Age, Gender and Marital Status) and the Awareness of Various Services of Internet Banking.**

The ANOVA explaining the relationship between the three demographic factors (age, gender and marital status) and Awareness of Internet Banking services are presented in the following Table 5.1.

Table 5.1  
 Relationship between the Three Demographic Factors (Age, Gender and Marital Status) and Awareness of Internet Banking Services – Analysis of Variance (One Way)

Facilities	Calculated Values					
	Age		Gender		Marital Status	
	F Value	p Value	F Value	p Value	F Value	p Value
Balance Enquiry	1.424	.234**	.008	.974**	.621	.419**
Quick Statement View	.097	.908**	.589	.444**	1.331	.250**
Change password or PIN	.977	.378**	.009	.926**	2.187	.141**
Edit Profile	3.431	.034*	.105	.746**	1.149	.285**
Fund Transfer – Within same bank	4.351	.014*	.930	.336**	.805	.371**
Fund Transfer – Other banks	.611	.544**	.848	.358**	1.361	.245**
Utility Payments	2.906	.057**	.039	.844**	2.735	.100**
Tax Payments	1.793	.169**	.139	.709**	1.028	.312**
Statement of Accounts	1.518	.222**	.746	.389**	.206	.650**
NEFT settlement	6.406	.002*	1.471	.227**	.122	.728**
RTGS settlement	2.947	.055**	.369	.544**	.697	.405**

Credit card payment	.321	.725**	.002	.968**	3.618	.059**
Suspending debit card	7.596	.001*	.585	.445**	.559	.455**
Demat facility	3.360	.037*	.407	.524**	.013	.908**
Virtual Keyboard	.157	.855**	.263	.608**	.015	.904**
Shopping using Internet banking	3.825	.023*	.198	.657**	6.707	.010*
Opening term deposits	4.956	.008*	.200	.655**	1.315	.253**
Login history	13.867	.000*	.004	.949**	1.452	.230**
Cheque status enquiry	1.380	.254**	3.137	.078**	.335	.563**
Stop cheque payment	.795	.453**	.643	.424**	1.684	.196**
RTGS or NEFT enquiry	4.715	.010*	2.197	.140**	.931	.336**
Pension enquiry	.037	.963**	.541	.463**	.000	.988**
Forgot Password or PIN	3.923	.021*	.225	.636**	.970	.326**
Donations and charity payments	3.582	.030*	1.447	.230**	8.727	.004*
MANOVA Values (Wilks' Lamda)	3.504	.000*	1.092	.357**	2.286	.001*

\* – Significant ( $p$  value is less than 0.05)

\*\* – Not Significant ( $p$  value is more than 0.05) Source: Primary Data

The significance is tested at 5 per cent level. From the above Table 5.1, one can infer that, there is a significant role of the Age factor in the awareness of certain services like Edit Profile, Intra-Bank Fund Transfer, NEFT Settlement, making NEFT and RTGS settlements, suspending debit cards, availing demat facility, doing online shopping, opening term deposits, viewing the login history, making NEFT or RTGS enquiry, Forgot Password option and making donations and charity payments. Hence it can be concluded that the null hypothesis that “There is no significant relationship between age and awareness of the above mentioned services of Internet Banking” is rejected. At the same time, the age factor does not play a significant role in the awareness of other services. So the null hypothesis that “There is no significant relationship between age and awareness of the other services of Internet Banking” is accepted.

Gender has no significant role in the awareness of all the services of Internet Banking. The null hypothesis that “There is no significant relationship between gender and awareness of various services of Internet Banking” is accepted.

The next demographic factor called the Marital Status play a vital role in the awareness of doing online shopping and making donations and charity payments. Hence it can be concluded that the null hypothesis that “There is no significant relationship between marital status and awareness of the above mentioned services of Internet Banking” is rejected. But it has no role in the awareness of other services. Therefore the null hypothesis that “There is no significant relationship between marital status and awareness of the other services of Internet Banking” is accepted.

From the MANOVA values, it can be concluded that Age and Marital Status have a significant influence in the awareness, whereas the factor Gender does not play a significant role in the awareness of Internet Banking services.

**H<sub>0</sub>: There is no significant relationship between the Demographic factors (Education, Occupation, Family Monthly Income and Dwelling Place) and the Awareness of Various Services of Internet Banking.**

The ANOVA explaining the relationship between the remaining four demographic factors (education, occupation, family monthly income and dwelling place) and Awareness of Internet Banking services are presented in the following Table 5.2.

Table 5.2

Relationship between the Four Demographic Factors (Education, Occupation, Family Monthly Income and Dwelling Place) and Awareness of Internet Banking Services – Analysis of Variance (One Way)

Facilities	Calculated Values							
	Education		Occupation		Income		Living Place	
	F Value	p Value	F Value	p Value	F Value	p Value	F Value	p Value
Balance Enquiry	.324	.712**	5.206	.002*	.356	.098**	1.425	.227**
Quick Statement View	1.223	.302**	2.502	.044*	.638	.529**	4.914	.028*
Change password or PIN	1.043	.375**	1.546	.190**	1.022	.362**	.600	.439**
Edit Profile	.715	.544**	2.601	.037*	1.851	.160**	.209	.648**
Fund Transfer – Within same bank	1.106	.348**	5.046	.001*	.124	.884**	1.823	.178**
Fund Transfer – Other banks	.998	.395**	3.564	.008*	2.213	.112**	1.458	.229**
Utility Payments	.387	.763**	2.531	.042*	.355	.702**	1.314	.253**
Tax Payments	3.111	.027*	3.529	.008*	.843	.432**	.681	.410**
Statement of Accounts	1.529	.208**	5.656	.000*	1.325	.268**	.558	.456**
NEFT settlement	1.014	.388**	3.245	.013*	1.559	.213**	.048	.828**
RTGS settlement	.232	.874**	4.403	.002*	.721	.488**	.001	.980**
Credit card payment	.327	.806**	1.595	.177**	.212	.809**	2.302	.131**
Suspending debit card	1.288	.280**	.604	.660**	.522	.594**	.341	.560**
Demat facility	1.619	.186**	.848	.496**	1.305	.274**	.370	.544**
Virtual Keyboard	1.290	.279**	.631	.641**	2.112	.124**	.935	.335**
Shopping using Internet banking	.139	.937**	3.307	.012*	2.928	.056**	4.799	.030*
Opening term deposits	1.781	.152**	2.190	.071**	1.295	.276**	.003	.958**
Login history	.215	.886**	1.851	.121**	1.445	.238**	2.845	.093**
Cheque status enquiry	.761	.517**	2.366	.054**	2.895	.058**	.020	.889**
Stop cheque payment	1.546	.204**	.716	.582**	.817	.443**	5.364	.022*
RTGS or NEFT enquiry	.973	.406**	1.815	.127**	.938	.393**	1.490	.224**
Pension enquiry	1.475	.223**	.824	.511**	1.486	.229**	1.030	.311**
Forgot Password or PIN	.795	.498**	2.260	.064**	2.150	.119**	.555	.457**
Donations and charity payments	.686	.562**	1.795	.131**	2.469	.087**	4.721	.031*
MANOVA Values (Wilks' Lambda)	1.290	.067**	1.702	.000*	1.202	.183**	1.968	.008*

\* – Significant (*p* value is less than 0.05)

\*\* – Not Significant ( $p$  value is more than 0.05) Source: Primary Data

The significance is tested at 5 per cent level. As far as the Educational level of the respondents is concerned, it has a significant role in the awareness of service like making tax payments. It can be said that the null hypothesis that “There is no significant relationship between education and awareness of tax payment service of Internet Banking” is rejected. But it has no important role in the awareness of all the other services. Here the null hypothesis that “There is no significant relationship between education and awareness of the other services of Internet Banking” is accepted.

The Occupational status of the respondents has a significant role to play in the awareness of balance enquiry facility, quick statement viewing, editing the profile, making intra-bank and inter-bank fund transfers, making utility and tax payments, effecting NEFT and RTGS settlements, downloading statement of accounts and doing online shopping. The null hypothesis that “There is no significant relationship between occupation and awareness of the above mentioned services of Internet Banking” is rejected. But it has no significant influence on the awareness of other services. Hence it can be concluded that the null hypothesis that “There is no significant relationship between occupation and awareness of the other services of Internet Banking” is accepted.

In the case of Family Monthly Income, it has no significant role in the awareness of all the services of Internet Banking. The null hypothesis that “There is no significant relationship between family monthly income and awareness of various services of Internet Banking” is accepted.

In the case of Dwelling place of the respondents, it has no significant role in the awareness of services like quick statement viewing, doing online shopping, executing the stop cheque option and making donations and charity payments through Internet Banking. Here the null hypothesis that “There is no significant relationship between dwelling place and awareness of the above mentioned services of Internet Banking” is rejected. But it has no significant influence on the awareness of other services. Hence it can be concluded that the null hypothesis that “There is no significant relationship between dwelling place and awareness of the other services of Internet Banking” is accepted.

From the MANOVA values, it can be concluded that Occupation and Dwelling Place have a significant influence in the awareness, whereas the factors Education and Family Monthly Income do not play a significant role in the awareness of Internet Banking services. **Ho: There is no significant relationship between the Demographic factors (Age, Gender and Marital Status) and the Utilisation of Various Services of Internet Banking.**

The ANOVA explaining the relationship between the three demographic factors (age, gender and marital status) and Utilisation of Internet Banking services are presented in the following Table 5.3.

Table 5.3  
 Relationship between the Three Demographic Factors (Age, Gender and Marital Status) and Utilisation of Internet Banking Services –Analysis of Variance (One Way)

Facilities	Calculated Values					
	Age		Gender		Marital Status	
	F Value	p Value	F Value	p Value	F Value	p Value
Balance Enquiry	.264	.768**	.777	.379**	.030	.863**

Quick Statement View	.332	.718**	.158	.691**	1.467	.227**
Change password or PIN	.790	.455**	.518	.472**	1.874	.172**
Edit Profile	.385	.681**	1.695	.194**	.719	.398**
Fund Transfer – Within same bank	5.785	.004*	.001	.971**	4.134	.043*
Fund Transfer – Other banks	.501	.607**	.068	.795**	.038	.845**
Utility Payments	8.243	.000*	.644	.423**	13.516	.000*
Tax Payments	1.987	.140**	1.537	.217**	.046	.830**
Statement of Accounts	1.848	.160**	.238	.626**	2.309	.130**
NEFT settlement	3.859	.023*	.587	.444**	1.417	.235**
RTGS settlement	2.227	.110**	.350	.555**	.005	.942**
Credit card payment	.127	.881**	.018	.893**	.932	.336**
Suspending debit card	1.284	.279**	.019	.890**	4.483	.035*
Demat facility	.745	.476**	3.916	.049*	2.692	.102**
Virtual Keyboard	.282	.754**	.035	.853**	1.717	.192**
Shopping using Internet banking	1.931	.148**	.655	.419**	4.839	.029*
Opening term deposits	5.844	.003*	.018	.893**	2.146	.144**
Login history	6.408	.002*	.024	.877**	.932	.335**
Cheque status enquiry	2.152	.119**	1.175	.280**	.536	.465**
Stop cheque payment	2.599	.077**	.357	.551**	.087	.769**
RTGS or NEFT enquiry	1.548	.215**	1.903	.169**	.005	.942**
Pension enquiry	2.429	.091**	.108	.742**	6.122	.014*
Forgot Password or PIN	4.138	.017*	.016	.899**	3.881	.050*
Donations and charity payments	.001	.999**	.428	.514**	.368	.545**
MANOVA Values (Wilks' Lambda)	1.955	.000*	.620	.916**	2.411	.001*

\* – Significant ( $p$  value is less than 0.05)

\*\* – Not Significant ( $p$  value is more than 0.05) Source: Primary Data

The significance is tested at 5 per cent level. From the above Table 5.3, one can infer that, there is a significant role of the Age factor in the utilisation of certain services like Intra-Bank Fund Transfer, making utility payments, NEFT Settlement, opening term deposits, viewing the login history and using the Forgot Password option. Hence it can be concluded that the null hypothesis that “There is no significant relationship between age and utilisation of the above mentioned services of Internet Banking” is rejected. At the same time, the age factor does not play a significant role in the utilisation of other services. So the null hypothesis that “There is no significant relationship between age and utilisation of the other services of Internet Banking” is accepted.

Gender has no significant role in the utilisation of all the services of Internet Banking except using the demat facility option. The null hypothesis that “There is no significant relationship between gender and utilisation of all services of Internet Banking except demat facility service” is accepted.

The next demographic factor called the Marital Status play a vital role in the utilisation of intra-bank fund transfer, making utility payments, suspending debit card option,



doing online shopping, pension enquiry and using the forgot password option. Hence it can be concluded that the null hypothesis that “There is no significant relationship between marital status and utilisation of the above mentioned services of Internet Banking” is rejected. However it has no role in the utilisation of other services. Therefore the null hypothesis that “There is no significant relationship between marital status and utilisation of the other services of Internet Banking” is accepted.

From the MANOVA values, it can be concluded that Age and Marital Status have a significant influence in the utilisation, whereas the factor Gender does not play a significant role in the utilisation of Internet Banking services.

**H<sub>0</sub>: There is no significant relationship between the Demographic factors (Education, Occupation, Family Monthly Income and Dwelling Place) and the Utilisation of Various Services of Internet Banking.**

The ANOVA explaining the relationship between the remaining four demographic factors (education, occupation, family monthly income and dwelling place) and Utilisation of Internet Banking services are presented in the following Table 5.4.

Table 5.4

Relationship between the Four Demographic Factors (Education, Occupation, Family Monthly Income and Dwelling Place) and Utilisation of Internet Banking Services – Analysis of Variance (One Way)

Facilities	Calculated Values							
	Education		Occupation		Income		Living Place	
	F Value	p Value	F Value	p Value	F Value	p Value	F Value	p Value
Balance Enquiry	.097	.962**	3.179	.015*	.622	.538**	.078	.780**
Quick Statement View	1.778	.152**	1.008	.405**	.564	.570**	1.019	.314**
Change password or PIN	1.202	.310**	.740	.566**	.905	.406**	.120	.729**
Edit Profile	.105	.957**	2.361	.055**	1.535	.218**	.462	.497**
Fund Transfer – Within same bank	.870	.457**	3.953	.004*	.041	.960**	1.345	.247**
Fund Transfer – Other banks	2.303	.078**	1.370	.246**	2.791	.064**	.050	.824**
Utility Payments	2.066	.106**	3.860	.005*	5.481	.005*	.185	.667**
Tax Payments	6.488	.000*	3.505	.009*	4.725	.010*	5.346	.022*
Statement of Accounts	1.752	.158**	2.284	.062**	2.521	.083**	.012	.913**
NEFT settlement	.788	.502**	5.147	.001*	1.931	.148**	.898	.345**
RTGS settlement	1.116	.344**	6.163	.000*	.386	.680**	3.277	.072**
Credit card payment	.250	.861**	1.429	.226**	4.069	.018*	1.963	.163**
Suspending debit card	1.205	.309**	1.181	.320**	.428	.652**	.001	.975**
Demat facility	.550	.648**	.589	.671**	.097	.908**	.655	.419**
Virtual Keyboard	.633	.595**	.960	.431**	1.888	.154**	.114	.736**
Shopping using Internet banking	3.484	.017*	3.025	.019*	2.739	.067**	6.615	.011*

Opening term deposits	.740	.529**	3.606	.007*	.867	.422**	.356	.552**
Login history	.234	.873**	.199	.939**	1.358	.259**	.821	.366**
Cheque status enquiry	.063	.979**	3.199	.014*	2.228	.110**	.160	.689**
Stop cheque payment	1.445	.231**	2.700	.032*	2.945	.055**	2.425	.121**
RTGS or NEFT enquiry	1.755	.157**	3.654	.007*	.477	.621**	.330	.566**
Pension enquiry	.673	.570**	1.460	.216**	3.900	.022*	.181	.671**
Forgot Password or PIN	4.524	.004*	2.741	.030*	1.716	.182**	.317	.574**
Donations and charity payments	.280	.840**	.587	.673**	.404	.668**	1.289	.258**
MANOVA Values (Wilks' Lambda)	1.783	.000*	2.021	.000*	1.971	.000*	1.270	.190**

\* – Significant ( $p$  value is less than 0.05)

\*\* – Not Significant ( $p$  value is more than 0.05) Source: Primary Data

The significance is tested at 5 per cent level. As far as the Educational level of the respondents is concerned, it has a significant role in the utilisation of services like making tax payments, doing online shopping and using the forgot password option. So it can be said that the null hypothesis that “There is no significant relationship between education and utilisation of the above mentioned services of Internet Banking” is rejected. But it has no important role in the utilisation of all the other services. Here the null hypothesis that “There is no significant relationship between education and utilisation of the other services of Internet Banking” is accepted.

The Occupational status of the respondents has a significant role to play in the utilisation of balance enquiry facility, making intra-bank and inter-bank fund transfers, making utility and tax payments, effecting NEFT and RTGS settlements, doing online shopping, opening term deposits, cheque status enquiry, stop cheque payment, making NEFT or RTGS enquiry and exercising the forgot password option. The null hypothesis that “There is no significant relationship between occupation and utilisation of the above mentioned services of Internet Banking” is rejected. However it has no significant influence on the utilisation of other services. Hence it can be concluded that the null hypothesis that “There is no significant relationship between occupation and utilisation of the other services of Internet Banking” is accepted.

In the case of Family Monthly Income, it has a significant role in the utilisation of services of Internet Banking like making utility, tax and credit card payments and making pension enquiry. The null hypothesis that “There is no significant relationship between family monthly income and utilisation of the above mentioned services of Internet Banking” is rejected. However, it has no significant influence on the utilisation of other services. Hence it can be concluded that the null hypothesis that “There is no significant relationship between family monthly income and utilisation of the other services of Internet Banking” is accepted.

In the case of Dwelling place of the respondents, it has no significant role in the utilisation of services like making tax payments and doing online shopping through Internet Banking. Here the null hypothesis that “There is no significant relationship between dwelling place and utilisation of the above mentioned services of Internet Banking” is rejected. But it has no significant influence on the utilisation of other services. Hence it can be concluded that the null hypothesis that “There is no significant relationship between dwelling place and utilisation of the other services of Internet Banking” is accepted.

From the MANOVA values, it can be concluded that Education, Occupation and Family Monthly Income have a significant influence in the utilisation, whereas the factor

Dwelling Place does not play a significant role in the utilisation of Internet Banking services. **Correlation between Awareness and Utilisation of Internet Banking services:  $r = 0.714$**  Further the Correlation Analysis between the awareness and utilisation of various services of Internet Banking gives the result as 0.714. It shows that there is a positive correlation between awareness and utilisation of various services of Internet Banking.

### Problems in the Usage of Internet Banking

Though there are many merits in the usage of Internet Banking, it too suffers from its peculiar problems. As it is said that “A Coin has two sides; A line has two ends”, the Internet Banking too has its darkest side. Moving from conventional banking to technology based banking calls for acceptance and faith in the new system. If customers are having some apprehension about the new system, then it can never be successful. There are large numbers of problems faced by the respondents in Internet Banking. The problems that are faced by them are taken as Legal risks, Less personal contact, Problem in transferring funds beyond business hours, High charges for transferring funds, Absence of desired services, Lack of trust in the bank’s website and security, Fear of loss of vital data when the bank’s server crashes, Fear of hidden costs, Fraudulent activities by employees, Server being too busy and Security problem. The respondents are asked to mark (tick) these problems and the scores so obtained are added up. To find out the relationship between the demographic factors and problems perceived by the respondents, the Mann Whitney U Test and Kruskal Wallis Test are used. The hypothesis that is framed here is:

**H<sub>0</sub>: There is no significant relationship between the Demographic factors and the Problems Perceived in Using Internet Banking.**

In Table 5.5 the relationship between the demographic factors and problems perceived are presented.

Table 5.5

Relationship between Demographic Factors and Problems Perceived in Internet Banking

Demographic Factors	Particulars	No of Respondents	Mean Rank	Sum of Ranks	Significance at 5% Level $p$ value	
					Mann Whitney Test	Kruskal Wallis Test
Age	Below 25 years	45	104.56	-	0.783**	
	25 to 40 years	102	100.81	-		
	Above 40 years	59	107.35	-		
	<b>Total</b>	<b>206</b>				
Gender	Males	146	96.24	14050.50	0.005*	-
	Females	60	121.18	7270.50		
	<b>Total</b>	<b>206</b>				
Marital Status	Married	119	105.61	12567.50	0.543**	-
	Unmarried	87	100.61	8753.50		
	<b>Total</b>	<b>206</b>				
Education	HSC	31	99.53	-		
	UG	80	97.11	-		

	PG	78	113.09	-	-	0.328**
	Diploma	17	96.82	-	-	
	<b>Total</b>	<b>206</b>				
Occupation	Student	26	120.13	-	-	0.025*
	Private Employee	39	91.63	-	-	
	Govt Employee	55	94.48	-	-	
	Business	36	92.82	-	-	
	Professional	50	121.72	-	-	
	<b>Total</b>	<b>206</b>				
Family Monthly Income	Below ₹ 20,000	86	105.70	-	-	0.554**
	₹20,000 to ₹ 50,000	80	105.63	-	-	
	Above ₹ 50,000	40	94.51	-	-	
	<b>Total</b>	<b>206</b>				
Dwelling Place	Rural	74	99.45	7359.50	0.455**	-
	Urban	132	105.77	13961.50		
	<b>Total</b>	<b>206</b>				

\* – Significant ( $p$  value is less than 0.05)

\*\* – Not Significant ( $p$  value is more than 0.05) Source: Primary Data

From the above Table 5.5 one can form an opinion that there is no significant relationship between the demographic factors such as age, marital status, education, monthly income and dwelling place and the problems perceived in using internet banking. In the case of age, the respondents in the age group of above 40 years have the highest mean rank of 107.35. Further married respondents have the highest mean rank of 105.61 with a sum of rank of 12567.50. As far as education is concerned, the Post Graduate respondents have the highest mean rank of 113.09 and the professional people have the highest mean rank of 121.72. In the case of family monthly income, the respondents earning a monthly income of less than 20,000 have the highest mean rank of 105.70 and the respondents residing in urban areas have the highest mean rank of 105.77 with 13961.50 as the total sum of ranks.

While at the same time, there is quite a significant relationship between two demographic factors such as gender and occupation and the problems perceived by them. The female respondents have the highest mean rank of 121.18 with 7270.50 as the sum of ranks and the professional people have the highest mean rank of 121.72.

The null hypothesis that “There is no significant relationship between age, marital status, education, family monthly income and dwelling place and the problems perceived in using Internet Banking” is accepted, whereas the null hypothesis that “There is no significant relationship between gender and occupation and the problems perceived in using Internet Banking” is rejected.

## 7. FINDINGS

The ANOVA test is used to analyse the influence of the demographic factors on the awareness and utilisation of each individual service of Internet Banking.

The results revealed that the demographic factors influence the awareness and utilisation of certain services of Internet Banking, whereas they do not influence the awareness and utilisation of other services of Internet Banking.

The MANOVA analysis has indicated that Age, Marital Status, Occupation and Dwelling Place have a significant influence in the awareness, whereas Gender, Education and Family Monthly Income do not play a significant role in the awareness of Internet Banking services.

## 8. CONCLUSION

The identity hackers while trying to steal passwords search for them in places like bottom of the keyboard, diaries, mobile phones and the like. Take the present study where 34.9 per cent of the respondents revealed that they store their Internet Banking passwords in mobile phones or diaries which could be a clue for identity hackers. So it can be suggested that the customers should not reveal even the places where they store their passwords for security reasons to anyone, even in any situation. To reduce the circulation of physical currency, the Government can make use of Internet Banking for increasing the electronic payments. To popularise Internet Banking for meeting utility bills, vendors can provide some discount if payment is made through internet. Further if the Government makes certain transfers to be made online mandatorily, the usage may increase.

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