



ISSN: 0976-3031

Available Online at <http://www.recentscientific.com>

CODEN: IJRSFP (USA)

International Journal of Recent Scientific Research  
Vol. 9, Issue, 2(D), pp. 24022-24024, February, 2018

**International Journal of  
Recent Scientific  
Research**

DOI: 10.24327/IJRSR

## Research Article

### A STUDY ON CUSTOMER ADOPTION TO E-TECHNOLOGY IN BANKING SERVICES

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DOI: <http://dx.doi.org/10.24327/ijrsr.2018.0902.1583>

#### ARTICLE INFO

##### Article History:

Received 15<sup>th</sup> November, 2017  
Received in revised form 25<sup>th</sup>  
December, 2017  
Accepted 28<sup>th</sup> January, 2018  
Published online 28<sup>th</sup> February, 2018

#### ABSTRACT

The concept and scope of e-banking is silent in the transitional stage. E-banking has broken the barriers of branch banking. This research is carried out the services, importance in business, advantages, challenges and adoption of E-banking for public that proper use of E-banking become a solid tool to educate, inform and groomed the social level and it is also produce an responsiveness that how it is effecting in everyone life the deteriorate social norm, society standards and ethics of society and create awareness among public.

##### Key Words:

Banking sectors, E-Technology, and  
Statistical analysis.

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#### INTRODUCTION

Internet Banking has become an integral part of banking system in India. The main benefit from the bank customers' point of view is important saving of time by the automation of banking services processing and introduction of an easy maintenance tools for managing customer's money. E-banking is the term that signifies and encompasses the whole sphere of technology initiatives that have taken place in the banking industry. E-banking is a broad term making use of electronic channels through telephone, mobile phones, internet etc. for delivery of banking services and products.

##### Objectives of the study

- To study the present standing of financial innovations in Indian banking sector.
- To identify various e-banking services/products adopted by India.
- To understand the issue E-Banking and its evolution.

#### METHODS AND MATERIALS

##### Research methodology

In a view to precede the research in a systematic way the following research methodology has been used. By means of obtaining detailed opinion of the customers, this research falls under the category of descriptive research. This study was

conducted as a survey that examined customers' adoption with e-banking practices in banking sectors located in Salem Corporation of Tamilnadu.

##### Population

Salem City Municipal Limits were further extended by the inclusion of Suramangalam Municipality, Jarikondalampatty town Panchayat, Kannankurichi town Panchayat and 21 other Village panchayats with effect from 1.4.94, with an extent of 91.34 sq.kms. and provisional reports of Census India, population of Salem in 2011 is 8,29,267; of which male and female are 4,17,317 and 4,11,950 respectively.

##### Sample of the study

Since the public who are living in the Salem Corporation, it was established quite unwieldy to select certain percentage of the population as the sample frame. So that only 200 samples were selected from the four different zones on the basis of simple random sampling.

**Table 1** Information on sample

Sl.No	Name of the Zonal	Sample size
1	Suramangalam	50
2	Hasthampatty	50
3	Ammamet	50
4	Kondalampatty	50
	<b>Total</b>	<b>200</b>

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**Testing of Reliability**

**Alpha (Cronbach)**

This is a model of internal consistency, based on the average inter-item correlation. The results are presented in suitable hypothesis with relevant interpretations.

**Reliability Coefficients**

No. of Cases	=	20
No. of Items	=	61
Alpha	=	0.901 (i.e. 90.1 %)

**Data Analysis**

In this study, the research has adopted quantitative data analysis. Quantitative data analysis is the procedure of presenting and interpreting numerical data. Questionnaire method of data analysis can be of immense value to the researchers who effort to draw meaningful results from large body of qualitative data. The research has adopted the following statistical tools to analyses the collected data and achieves the objective of the research. This study has used Microsoft Excel, Statistical Package for Social Sciences (SPSS) computer software and AMOS for analyzing the primary data of this study. These possible tools have been used to run the statistical analysis end to create suitable tables and figures.

**Chi-square Analysis**

The Chi square test is used in any study on social science and management for testing the independence of two attributes. In this section the results of chi-square analysis is presented by dividing the factors considered in the study as two groups such as various dimensions in the levels of behavioural self-efficacy. Each of the variables of perception among the people is compared with the personal variables, chi square test are applied and the results are presented with suitable hypothesis and relevant interpretations.

**Discriminant Analysis**

A linear combination of predictor variables, weighted in such a way that it will best discriminate among groups with the least error is called a linear discriminant function and is given by:

$$D = L1.X1 + L2.X2 + \dots + Lk.Xk,$$

Where Xi's are predictor variables, Li's represent the discriminant coefficients, and D is the value of the discriminant function of the particular individuals' element such that if this value is greater than a certain critical value D\* the individual would be classified in group I; otherwise the individual would be classified in Group II.

**Analysis and Interpretation**

**Chi-square Analysis**

In this section the average score of analysis is performed for personal factors with the perception of level of problems and issues.

**Hypothesis:** The personal factors have no significant influence on the opinion of the respondents on problems and issues variables.

The Table 2 describes the results of chi-square analysis in terms of personal variables, chi-square values, p values and their significance on problems and issues.

**Table 2** Chi Square values – Personal variables on Measuring Service Quality

S.No	Personal variables	Chi-square Value	p values	Significant/ Not Significant
1	Gender	4.04	0.13	S
2	Age	3.94	0.69	S
3	Education	19.74	0.003	NS
4	Occupation	7.71	0.26	S
5	Monthly Income	10.50	0.11	S
6	Marital status	2.87	0.24	S

S – Significant at 5% level (p value<= 0.05); NS – Not Significant at 5% level (p value>0.05)

It is found from the Table 1.2 that the hypothesis is rejected (Significant) in four case and other cases are accepted (Not significant). It is concluded that the personal factor 'Type of age, education, occupation, marital status' has significant influence on the Measuring Service Quality in the study of customer adoption to E-Technology banking services among people in Salem Corporation.

**Cluster analysis**

In this study this technique is carried out based on the dimension of customer adoption to E-Technology banking services among Salem Corporation people and personal variables of the respondents on the various aspects relating to level of measuring service quality and problems and issues. The results are presented below with relevant interpretations.

**Null Hypothesis (H<sub>0</sub>):** Personal factors associated on the measuring service quality don't influence the clusters.

The Table 1.3 describes the results of ANOVA for each personal classification on the measuring service quality considered.

From the results we conclude that the entire variables are influencing the clusters except few cases in the measuring service quality related variables and describe the results of final clusters for each personal factor of respondents on the measuring service quality is considered.

- The cluster analysis transparently reveals that the samples are classified into 3 heterogeneous groups with respect to personal profile and various aspects of perception on influencing in measuring service quality of the respondents. The first cluster is grouped based on their opinion relating to 'Agree' with various levels of perception on influencing in measuring service quality are fall under the Gender (Female), Age (30-40 Years), Education (Graduate), Occupation (Retired), Income (Rs.10,001-20,000) and Marital status (Married) of the respondents.
- The cluster analysis transparently reveals that the samples are classified into 3 heterogeneous groups with respect to personal profile and various aspects of perception on influencing in measuring service quality of the respondents. The second cluster is grouped based on their opinion relating to 'Neutral' with various levels of perception on influencing in measuring service quality are fall under the Gender (Female), Age (30-40

years), Education (Graduate), Occupation (Business), Income (Rs.10,001-Rs.20,000) and Marital status (Married).

- The cluster analysis transparently reveals that the samples are classified into 3 heterogeneous groups with respect to personal profile and various aspects of perception on influencing in measuring service quality of the respondents. The third cluster is grouped based on their opinion relating to 'Strongly Agree' with various levels of perception on influencing in measuring service quality are fall under the Gender (Female), Age (30-40 Years), Education (Graduate), Occupation (Business), Income (Rs.10,001-Rs.20,000) and Marital status (Married).

## CONCLUSION

In true E -banking, any inquiry or transaction is processed online without any reference to the branch (anywhere banking) at any time. Providing internet banking is increasingly becoming a 'need to have' than a 'nice to have' services. Delivering superior service quality appears to be a prerequisite for success of any service firms. As electronic banking becomes more prevalent, now-a-days customers are evaluating banks based more on their "high-touch" factors than on their "high-tech" factors in most of the developing economy like India. Therefore, if the banking industry adopts the above mentioned recommendations, it will certainly increase the level of customer adoption with e-banking services.

### How to cite this article:

Valavan M and Hajira Banu.2018, A Study on Customer Adoption To E-Technology In Banking Services. *Int J Recent Sci Res.* 9(2), pp. 24022-24024. DOI: <http://dx.doi.org/10.24327/ijrsr.2018.0902.1583>

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