ROLE OF WEBSITE USAGE IN E-BANKING: A STUDY OF PUNJAB

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ABSTRACT

Electronic Banking is a new industry which allows people to interact with their banking accounts via the Internet from virtually anywhere in the world. It is a new phenomenon in India's banking sector and many customers has not yet embraced it. With the widespread use and adoption of the Internet, the possibility for financial institutions to provide their products and services over the Internet has become a reality. This research paper was focused on to identify the usage pattern of bank Website and to study the factors which influence a customer to using it. For this purpose questionnaire is designed which include questions based on a 5-point Likert's scale. Data is collected from 100 customers from Chandigarh city of Punjab through Convenient sampling method. The primary data was analyzed through factor analysis techniques by using SPSS. The study explores the informational and technological factors as the most important factors which motivate a customer to use it more frequently.

Keywords: E-Banking, Security, website quality, Website Content

INTRODUCTION

The banking industries is one such business that is using technology to offer its customer value added service and convenience. Technology has taken important place in the development of Indian Banking Sector. Increasing computer and internet knowledge experience result in perceived ease of use and hence individuals are trying to interact with the banking system at a fast pace (Al Qeisi1, K.I. & Al-Abdallah1, and G.M. 2014). Adoption of technology not only delights the customers in terms of convenience and satisfaction but also brings in certain other advantages like timeliness service, reliability and low cost to the bank. Financial institutions are using their web sites not only to provide traditional operations such as fund transfer or accounts information, but also to provide stock trading, bill payments, credit card request and advice on investment. Automated teller machines work 24 hours a day requires an ATM card and a personal PIN allowing customers 24 hour access to banking services. According to RBI, total number of ATMs in India in February 2014 is 1, 50,008**.** Telephone banking allows customers to conduct banking services using the phone from anywhere. Internet banking is conducted by completing bank transactions by directly accessing the bank through the Internet. Widely use of internet banking has reduced the transaction costs to a great extent (Kashyap, M. & Sharma K.D. 2012). Home banking allows customers to complete some specific financial services directly from home. Study conducted by Internet and Mobile Association of India (IAMAI) shows that the Internet user base in the country is projected to touch 243 million by June 2014, a year-on-year growth of 28%.Of the total user base. Mobile internet users accounted for 130 million in 2013, a growth of about 92% from 68 million in 2012.

Objectives of a Bank to use Website:

- To disseminate fast and accurate information among customers.
- To deliver products and Services at low cost.
- To improve relationship with customer through safe and secure services.

SECURITY ISSUES INVOLVED IN E-BANKING

Increased use of technology in banking sector has many advantages as well as disadvantages. It is a challenge as well as opportunity for banks to provide risk free financial services to the customers (Kashyap, M. and Sharma, K.D. 2012).E banking has enhanced the financial crime profile of banks (Sharma, V., 2011).As per the findings of study conducted by ASSOCHAM-Mahindra SSG, every month nearly 12,456 cases of cyber crimes registered in India and around 2277 complaints of online banking/credit/debit card fraud have been reported in year 2014. Cyber crimes in India may likely to cross the 3, 00,000 by 2015 growing at compounded annual growth rate of about 107 per cent .

Year	No of cyber crimes	No. of Websites Hacked
2011	13,301	21,699
2012	22,060	27,605,
2013	71,780	28,481,
2014(Till may)	62,189	48,174
Total	169,330	125,959

Source: ASSOCHAM-Mahindra SSG study (Jan 2015)

DETERMINANTS OF WEBSITE QUALITY

E-banking gives customers much more choice. Customers are more satisfy with quality of service on dimensions such as reliability, accessibility, privacy, security, responsiveness and fulfillment and least with the 'user-friendliness' dimension (Khan, S.M., Mahapatram, S. S. and Sreekumar ,2009).The use of bank Website by customer depend on the quality of website and the quality include various determinants like:

1) Content
2) Accessibility
3) speed
4) Access speed (in seconds)
5) Navigability
6) Keyword search function

The most significant quality dimensions are Navigability and content (Migdadi Y.K.A. 2008).Content of the Web sites must be informational. It should represent the commercial and non commercial information about the bank. It provides insight into the background of the company, partners, important customers, financial position, social policies and corporate social responsibility of the bank. Content should include the product/service description, including price, specifications, photographs, etc.

Informational factors	General company information
	Complete Product/services information(including upcoming)
	Price information (if any hidden charges
	Automatic Teller Machines (ATM) and branch information
	Financial information of company
Communicational factors	Contact e-mail(for management of grievances)
	Contact telephone(helpline no. for any enquiry and complain
	Contact address
	Users feedback tools

REVIEW OF LITERATURE

Miranda, F. J., Cortés, R., & Barriuso, C. (2006) analyzed the quality of website in four categories: speed, accessibility, navigability and content. Site content is significantly related with accessibility and navigability. However, this situation can be easily avoided by distributing the content in different pages and keeping the home page as simple as possible. Ortega, Martínez and Hoyos, (2007) suggested that financial institution must design a navigable website that allows fast and easy interaction with customers. Banks must focus on the aspects such as ease of use, usefulness and the time saving. Best designed sites are richer in content, easily accessible and navigable. Navigability is also related with accessibility, and therefore easily accessible sites are also easily navigable. More complex sites, with more informational, communicational and transactional elements, are usually slower (Miranda, F.J. Cortés, R and Barriuso, C. (2006)

In a Qualitative study by Srivastava, R.K. (2007) concluded that education, gender, income are important drivers that derive the consumers to accept internet banking. The study also support the fact that if skills are upgraded there will be greater will to use internet banking by consumers. Migdadi, Y.K.A. (2008) Suggested that speed and navigation dimensions of website should be developed in future by decrease the size of home page, increase the number of internal and external links attached with the web sites in Jordan. Alsamydai, yousif and Khasawneh (2012) depicted that the tangibles aspect, which is related to the physical facilities and appearance of the website to provide the service have little positive influence on customers satisfaction to continue dealing with e-banking services. Singh, P.(2013) suggested the factors like Hidden cost, additional cost areas ,loss of money due to by mistake select incorrect option, website crashing , virus, account hacking and complexity of website which affect the usage pattern. Auta, E.M. (2013) indicate the security, user friendly, queue management, accessibility, time factor and fund transfer are factors responsible for adoption of E-banking. Momeni, Kheiry and Dashtipour, (2013) found that ease of service use, website design, speed of connectivity and transactions, information security, information content and support service have a significant effect on user's satisfaction in Iran and hence the satisfaction level has a significant effect on loyalty to bank and willingness to continue relations with e-banking service. In a survey conducted on 100 customers Singh,S. (2013) depicted that technology of the bank is user friendly, reliable and customer feel safe and secure while using it.

Sakhaei, Afshari and Esmaili (2014) state that service quality dimensions have meaningful relationship with customer satisfaction in Internet Banking and website design is least related to customer satisfaction in Iran. Al Qeisi1, K.I. & Al Abdallah, G.M. (2014) conducted survey on 316 users and concluded that technical, general content and appearance aspects of a Web site are most

important dimensions which impact the usage behavior in U.K.. Ease of navigation, access and loading time (technical quality); content usefulness, competence, clarity and accuracy (general content quality); and attractiveness, organization and readability (appearance quality) are the main derivers to use the Website.

Literature reviews of various studies suggest that not much research has been done specifically on the website usage by customers and the factors which affect the customer's perception towards using website .Most of studies focus on the internet Banking and service quality issues related to E-Banking.

RESEARCH OBJECTIVE

- To study the usage pattern of Bank website in Punjab
- To explore the factors which influence the costumer to use website for Banking.

RESEARCH METHODOLOGY

The Study

The study was exploratory in nature to identify the usage pattern and factors that are the barriers for the usage of website for banking.

The Sample

Target population: The targeted sample is the bank customers who know how to use Websites for banking. The sample for conducting the survey contains customers from Chandigarh capital of Punjab. The survey also focused on covering all the demographic factors in the sample itself. For the study sample size was 100 respondents.

Tools for Data Collection: The study was based on the primary data. To collect primary data a self-designed structured tool at five point Likert's scale.

Tools for Data Analysis: Cronbach Alpha is used to test the reliability of data and factor analysis is applied through Statistical Package for the Social Sciences (SPSS) to analyzed data.

DATA ANALYSIS

Table 1.: Age of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 or less than 20	6	6.0	6.0	6.0
	20-40	61	61.0	61.0	67.0
	40-60	23	23.0	23.0	90.0
	more than 60	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

Table 2.: Sex of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	60	60.0	60.0	60.0
	female	40	40.0	40.0	100.0
	Total	100	100.0	100.0	

Table 3 : Education of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	graduate	40	40.0	40.0	40.0
	degree	34	34.0	34.0	74.0
	any other	26	26.0	26.0	100.0
	Total	100	100.0	100.0	

Table 4 : Profession of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	student	16	16.0	16.0	16.0
	job	65	65.0	65.0	81.0
	housewife	2	2.0	2.0	83.0
	unemployed	9	9.0	9.0	92.0
	Retired	5	5.0	5.0	97.0
	any other	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

Table 5 : Income of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10,000 or Less than Rs. 10,000/-	11	11.0	11.0	11.0
	Rs. 10,001/- to Rs. 25,000/-	59	59.0	59.0	70.0
	Rs. 25,001/- to Rs. 50,000/-	27	27.0	27.0	97.0
	More than Rs. 50,000/-	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

Table 6 : Since when are you using E-Banking

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	> 6 month	26	26.0	26.0	26.0
	6month to 1 year	20	20.0	20.0	46.0
	more than 1 year	54	54.0	54.0	100.0
	Total	100	100.0	100.0	

Table 6 shows that 54 % customers are using E-banking services since more than 1 year and only 26 % have joined these services 6 month back.

Table 7: Frequency to Visit Bank Website

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	once in a day	4	4.0	4.0	4.0
	multiple times in a day	8	8.0	8.0	12.0
	Once in a week	12	12.0	12.0	24.0
	multiple times in a week	19	19.0	19.0	43.0
	once in a month	42	42.0	42.0	85.0
	multiple times in a month	15	15.0	15.0	100.0
	Total	100	100.0	100.0	

Table 7 shows that 42 % of the customers visit the bank website once in a month and 19 % visit more than one time in a week.

Table 8: Security Problem and Training to non users

Sr.No	Response	Security Problem (%)	Training to non users (%)
1	Yes	28.0	81.0
2	No	72.0	19.0
	Total	100.0	100.0

Table shows that 72 % customers feel safe and secure while using bank website and 81% of respondents are agreed that there is need of providing training to non users.

Table 9: Reliability Statistics

Cronbach's Alpha	N of Items
.753	13

FACTOR ANALYSIS

The KMO measure of sampling adequacy index is used to examine the appropriateness of the factor analysis. The values between 0.5 to 1.0 indicate that factor analysis is suitable and appropriate. The overall significance of correlation matrices is tested with Barlett's test of Sphericity.

Table 10

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.709
Bartlett's Test of Sphericity	Approx. Chi-Square	522.174
	df	66
	Sig.	.000

Table shows KMO measure of sampling adequacy and Barlett's test of sphericity. Calculated value of KMO measure of sampling adequacy is .709. This indicates that the sample is adequate for applying the factor analysis. Barlett's test of Sphericity is significant at 1% ($p<0.000$) that supports the validity of data. So factor analysis is applied to extract various factors using principle of component analysis.
Extraction of Factors: Factors are extracted on the basis of Eigen value. Only those factors which have Eigen values greater than 1 are retained, and other factors are not included.
From the table, four factors have been extracted and total variance explained by these factors together is 72.488 %. The remaining is due to the other factors which are beyond the scope of the study. The results were obtained through orthogonal rotation with varimax method and all factors loading greater than 0.4 (ignoring the sign) were retained.

Table shows the factor loading on the various statements. This approach helps in detecting the structure in the relationship between variable i.e. to classify the variables. All the variables have been given appropriate names according to the variables that have been loaded on each factor.

Table 11

	Factor loading	% of variance
Factor 1- information		32.889 %
Easy to find all the important information from the bank's website	.797	
Website of bank contains answers to FAQs (Frequently Asked Questions)	770	
Content of website is complete and easy to understand	.485	
Visually appealing website	.900	
Factor 2 :Technology		18.534%
Website pages freeze while transaction is made	.876	
Bank server are always down	.887	
The speed of log out of account is fast.	.746	
Factor 3 : Communication		12.126 %
Bank is providing prompt service in responding to queries/ requests by e- mail or other means to the customers.	.462	
Website provides information in multiple languages.	.825	
Quick Online support is provided for any query in case of urgency	.612	
Factor 4- Security and safety		8.939 %
Virus can affect account information.	.723	
Customer Feel safe in their transactions.	.547	

Informational Factor

Table shows that the informational factor include 4 items and constitutes the total variance 32.889 % .Highest Load in this factor is for the visual appeal of the website i.e. .900 and lowest for content. Result shows that Content, easy to find information and frequently asked questions are most important aspects of a Website in a website.

Technological Factor

From the table it is depicted that the number of items included in this factor are 3 and explain the 18.534% of total variance. The highest load is for Bank server. Results indicate that the customer consider the bank server as important factor to use the Website more frequently.

Communicational Factor

This factor includes 3 items and explains 12.126 of the total variance. The factors explain response of queries through email, multiple language support and quick online support in case of urgency.

Safety and Security factor

It include 2 items and explain the 8.939 % of total variance. The factors explain the relationship between the virus affecting the account information and safe transactions through website.

FINDINGS AND DISCUSSIONS

1. Maximum users of website are youngsters and belong to age category 20-40.
2. Results shows that Males are more frequently using the E-Banking services as compared to females.
3. Study shows that Education motivates the people to use E-banking services.
4. Profession has relationship with the use of E-Banking services. Maximum customers who use E-Banking fall in the category of job.
5. Customers with high income use more E-Banking services as compared to those having low income.
6. Study depicts that internet banking, ATM and mobile banking having edge over Tele Banking. There are very few customers who use Tele banking.
7. 54 % customers from the total respondents are using E-Banking services from 1 year.
8. Results shows that 42 % of customers visit website once in month and only 4 % use once in a day.
9. Only 28 % respondents feel unsafe while using the Website and 72 % are in favor that training should be provided to non users to motivate them to use Website.
10. Informational factor is the most important factor and explain the 32.889 % of the total variance and technological factor comes after this.
11. Factor analysis shows that Customer feel comfortable if the information available on website is complete and easy to understand.
12. Results depicts that customer is reluctant to use website if pages of website freeze and server frequently collapse during transactions.
13. Communicational factor explain 12.126 % of the total variance. Customer considers the quick and multiple language support as important factor while using the Bank website.
14. Results show that Safety and security explain the 8.939 % of the total variance. Safety in transaction and virus can affect the account information are least important factor for a customer.

CONCLUSION

People find a difficulty in trusting technology in of financial matters. Customers do not want to compromise with the comfort level and with the increase use of Technology in banking sector it has wide reach to geographical areas .Banks should design their websites in such a way so that every customer can use it. Website should be easily accessible, informative and error free. Banks should make efforts to sort out the problems related to the security and safety through online support to save customer's time and money. Customer prefers Multilanguage support and quick response of queries through E-mail. Banks can provide training to nonusers to motivate them to use the website and it will leads to profitability of the bank.

FUTURE SCOPE OF THE STUDY

Technology provides customer more ease of use of E-banking services. But there are certain problems on the part of bank for successful implementation of these services. This study will enlighten the banks to develop more user friendly websites which will help the customer to have better access of E-Services. From the study Banks can incorporate factors to improve their website and involve more and more people in banking system to earn profits.

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