



## Awareness among the people about E-Banking Services with Special reference to the cosmos co-operative Bank Ltd., Pune (Maharashtra)

Prof. Janardan K. Pawar,  
Sinhgad College of Arts & Commerce, Narhe, Pune-411041

### Abstract

It is an umbrella term for the process by which a customer may perform banking transactions electronically without visiting a brick-and-mortar institution. The following terms all refer to one form or another of electronic banking: personal computer (PC) banking, Internet banking, virtual banking, online banking, home banking, remote electronic banking, and phone banking. PC banking and Internet or online banking is the most frequently used designations. It should be noted, however, that the terms used to describe the various types of electronic banking are often used interchangeably.

E-banking is a generic term for delivery of banking services and products through electronic channels, such as the telephone, the internet, the cell phone, etc. The concept and scope of E-banking is still evolving. It facilitates an effective payment and accounting system thereby enhancing the speed of delivery of banking services considerably. This paper attempts to know the E-Banking services provided by banks to the customers, its transactions and the awareness of people about E-Banking services with special reference to Cosmos Cooperative bank Pune. It reveals the finding and suggestions for the effective implementation of E-Banking service by banks.

### Introduction

Today's banking is no longer confined to branches. Customers are being provided with E-Banking services which are more convenient to customers are cost effective to the banks. These include ATM, Tele Banking, Internet Banking, Mobile Banking, Electronic Fund Transfer, Any Where Banking etc. E-Banking facilitates banking transactions by customers round the clock globally.

### Traditional Banking

The customer has to visit the branch of the bank in person to perform the basic banking operations. Ex-Account enquiry, fund transfer, cash withdrawal. The brick & mortar structure of a bank is essential for the performance of banking functions.

### E-Banking

E-Banking enables the customers to perform the basic banking transactions by sitting at their office or at homes through viewing their Account details & perform the transactions by sitting at their office or at homes through PC or LAPTOP.

### E-Banking Services

Banking activities through the traditional delivery channel of branch networks on the decline and customers can now do banking business from the comfortable confines of their homes using most modern E-Banking services. Banks are able to deliver their products more cheaply than the traditional branch networks loaded with expensive staff. The ICT has enabled banks to increase the range of their services.



### **1. ATM (Automated Teller Machine)**

ATMs have become the order of the day in banking. Through they were evolved as novel cash dispensers, now they have emerged as a marking tool to target the masses. There are about 10300 ATMs of many banks are nothing but virtual branches, as a customer can conduct any transactions, through the touch screens. They are user friendly and they mass acceptability. They can effectively reach at a large customer's base at low cost. Banks have started dispensing Railway Tickets, Air Tickets, and Movie Tickets etc. through ATMs. In future, a bank's ATM would function like a kiosk delivering more on non-cash transactions thereby reducing fixed and operating costs.

### **2. Core Banking**

Core Banking is a all about knowing customers needs & providing them with the right products at the right time through the right channels 24 hours a day, 7 days week (24x7). In other words, Core Banking refers to the activities a bank generally undertakes. It included Core Banking process which refers to the complete administration of transactions for the bank through a central data base. In an ideal Core Banking scenario, all products, processes, channels and customer relationship management tools are the integrated and administrated through a central data base of the bank with branches and channels as a delivery points.

### **3. Electronic Fund Transfer**

It is system under which computers and electronic technology is used as the substitute for cheque and other paper transactions. Funds are transferred instantly among different branches at the various places (or locations) in the country through the network using latest communication technology.

Today, the Electronic Fund Transfer has brought sea change in the nature of transactions of business entries. It has largely contributed to the success of the modern banking.

### **4. Tele Banking**

It is increasingly used as a modern E-Banking service by the banks. A customer can do online non-cash related banking over the phone anywhere at any time. Automated Voice Recorders (AVR) or 10 numbers are used for rendering Tele-Banking services which have added convenience to the customers.

### **5. Internet Banking (Any Where Banking)**

Under this facility customer can withdraw or deposit cash at branches other than the base branch, where he/she maintains account. For cash withdraw or deposit the customer may approach any bank counter of the convenient designated branch. Customer will press the PIN number and place finger print terminal along with the desired amount to be deposited or withdrawn. He/She has to sign the request or receipt generated by the system for this purpose. Customer becomes the customer of entire bank rather than a branch where be originally opened an Account. All the branches are interconnected with the help of satellite.

### **E-Banking Transactions**

Any type of transactions can be handled through E-Banking in the initial phase most of the basic banking transactions can be performed conveniently through Internet Banking. The following are the E-Banking transactions:



1. Account Enquiry
2. Fund Transfer
3. Payment of Electricity, water and telephone bills etc
4. Online payment for transactions actually performed through internet.
5. Request for cheque book, draft etc.
6. Statement of Accounts
7. Access to latest schemes
8. Access to rates of interest & other services.

### **Statement of the Problem**

A study on the e-banking services habits of people in respect of the Cosmos cooperative bank Pune. The important concepts are covered in the paper are the popularity of different E-Banking products and the challenges encountered by the users of such products.

### **Objectives of the Study**

- To analyze the banking activities of people of the Cosmos Cooperative bank Pune.
- To identify the most preferred E-Banking services by the people of the CCB Pune.
- To know the frequency of use of E-Banking services by the people of the CCB.
- The problems encountered by the users of E-Banking services of CCB.

### **Scope of the study**

The present study is undertaken in respect of the Cosmos cooperative bank Pune. The study provides insights about the banking habits of the people CCB and their most preferred E-Banking service. The frequency in which they use E-Banking service of the problems they face in using E-Banking services.

### **Limitations of the study**

The primary data is collected through a structured questionnaire and the sample size is only limited to 100 respondents.

### **Methodology**

The study area selected is the Cosmos Cooperative Bank Pune. The respondents are selected from the Pune city only.

### **Research Design**

In the study both exploratory and descriptive research design has been used. Judgmental or purpose of sampling method is used for gathering the primary data. The respondents are the residents of Pune city, who have any type of bank account.

### **Sample size & tool**

Researchers have selected 100 samples for the study. All the selected respondents are bank account holders of one type of the other of the CCB.

### **Research tools**

The research has been conducted by using structured questionnaire method for collecting primary data.



### Sources of data

Primary data has been collected through personal interview method. Secondary data has been collected from different sources of literature like magazines, newspapers and text books, journals and internet.

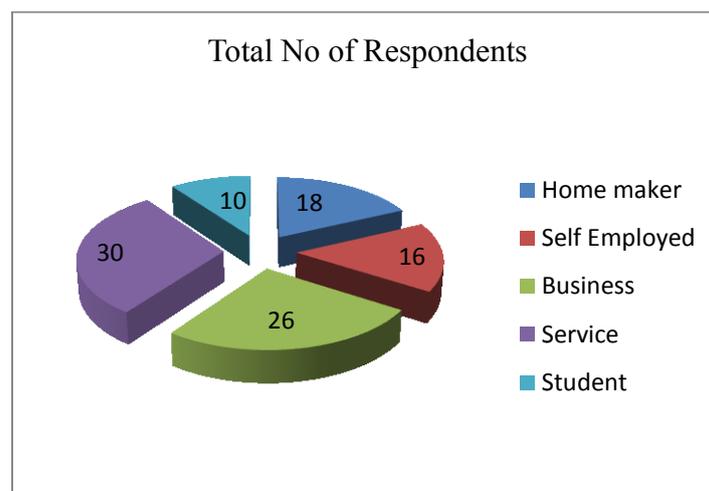
### Statistical tool

Percentage method is used for analyses of data. The result of the research is presented through tables followed by pie charts and bar diagrams.

### Interpretation and Analysis of data

**Table-1 Occupation of Respondents**

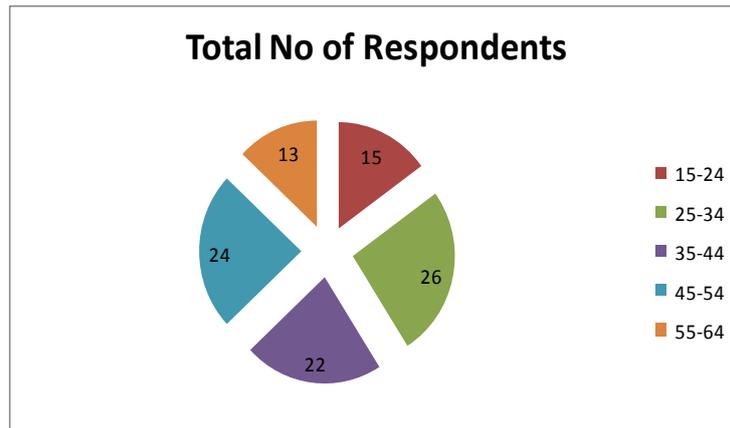
Occupation	Total No of Respondents	Percentage %
Home maker	18	18%
Self Employed	16	16%
Business	26	26%
Service	30	30%
Student	10	10%



From the above table, it can be observed that 30% of the respondents surveyed are in service, 26% are doing business, 18% of respondents homemakers, 16% of respondents self employed and 10% of respondents are students.

**Table-2 Age of Respondents**

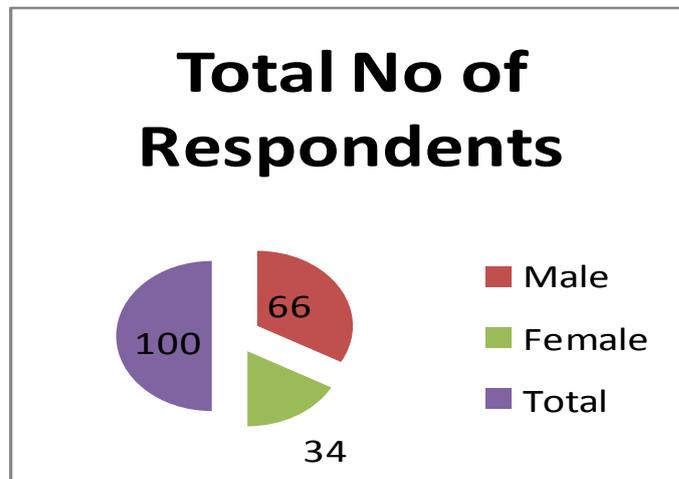
Age Groups	Total No of Respondents	Percentage
15-24	15	15
25-34	26	26
35-44	22	28
45-54	24	24
55-64	13	13



It can be noted from the above table that 15-24 years age group of respondents are 26%, 45-54 years age group of respondents are 24% and 55-64 years age group of respondents are 13%.

**Table-3 Gender of Respondents**

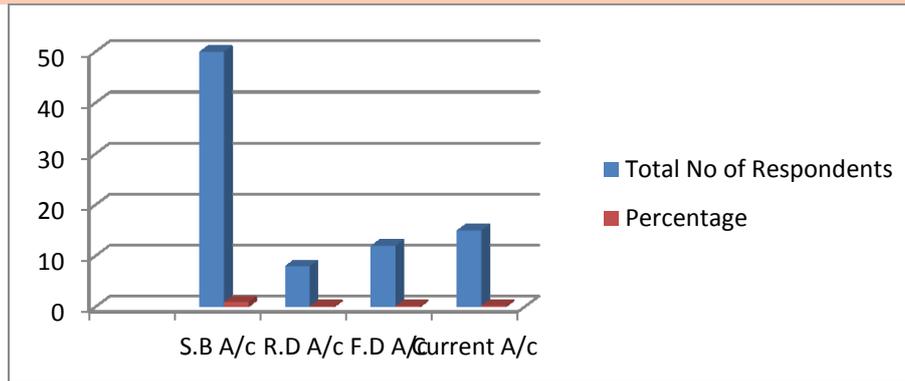
Gender	Total No of Respondents	Percentage
Male	66	66%
Female	34	34%
Total	100	100%



It can be noted from the above table that 66% of the respondents are men and 34% of respondents are women.

**Table-4 Type of A/Cs of Respondents**

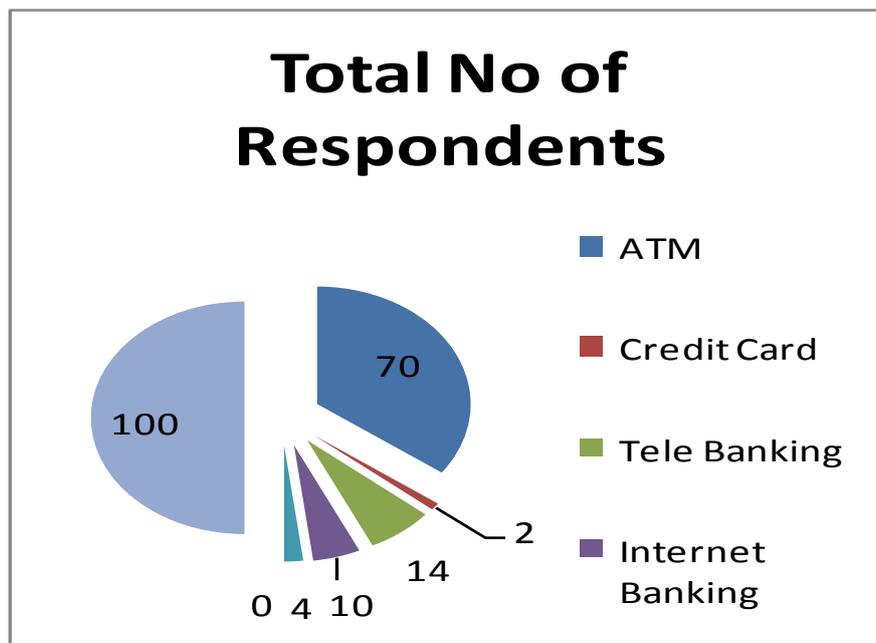
Type of A/C	Total No of Respondents	Percentage
S.B A/c	50	100%
R.D A/c	08	16%
F.D A/c	12	24%
Current A/c	15	30%



From the above table it can be examined that all the respondents have S.B A/c, 30% Current A/c, 24% have FD A/c, 16% have RD A/c. It also reveals that the respondents do have more than one type.

**Table-5 Most Preferred E-Banking service**

Name of the Service	Total No of Respondents	Percentage (%)
ATM	70	70%
Credit Card	02	02%
Tele Banking	14	14%
Internet Banking	10	10%
EFT	04	04%
Others	0	0%
Total	100	100%

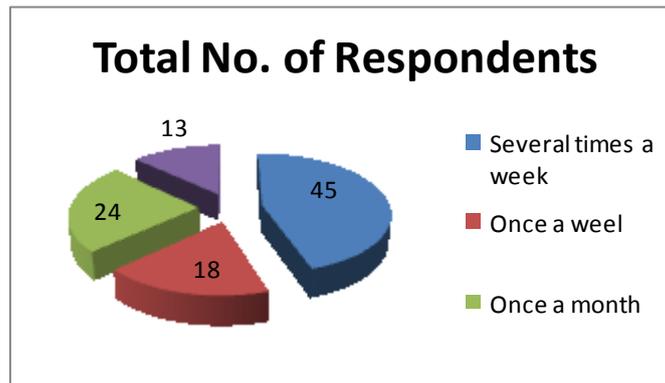


It can be noted from the above table that 70% of the respondents use ATM services the most, 14% use Tele Banking services, 10% use Internet Banking facility and only 2% of respondents use Credit Cards.



**Table-6 Frequency of using E-Banking services**

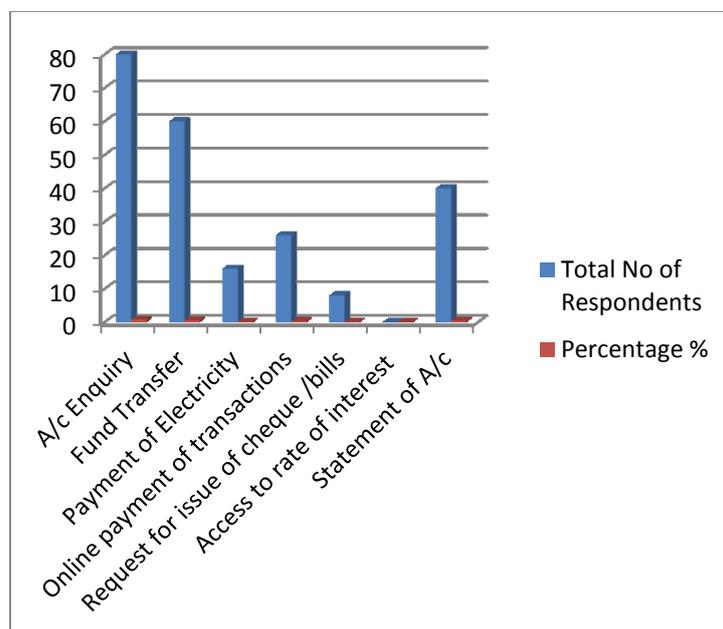
Frequency	Total No. of Respondents	Percentage %
Several times a week	45	45%
Once a weel	18	18%
Once a month	24	24%
Twice a month	13	13%
Total	100	100%



It can be observed from the above table that 45% of the respondents use E-Banking services several times a week, 24% use once a month, 18% use once a week and 13% use twice a month respectively.

**Table-7 Type of Service used /planning to use**

Type of service	Total No of Respondents	Percentage %
A/c Enquiry	80	80%
Fund Transfer	60	60%
Payment of Electricity	16	16%
Online payment of transactions	26	26%
Request for issue of cheque /bills	08	08%
Access to rate of interest	0	0%
Statement of A/c	40	40%

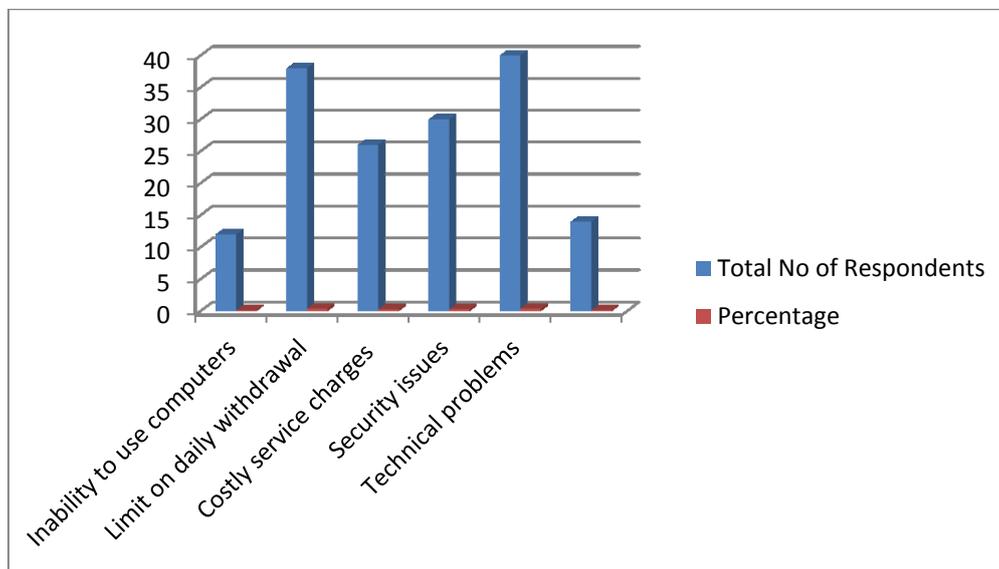




It is seen from the above table that 40% of the respondents use E-Banking services to enquire about their accounts, 30% respondents use it to transfer funds, 20% respondents check their statement of accounts and 13% are use it for making online payment transactions which have actually occurred through interest. It is also clear from the above table that the respondents use these E-Banking services for more than one purpose.

**Table-8 Problems encountered in using E-Banking service**

Type of Problems	Total No of Respondents	Percentage
Inability to use computers	12	12%
Limit on daily withdrawal	38	38%
Costly service charges	26	26%
Security issues	30	30%
Technical problems	40	40%
Unawareness of latest E- Banking service	14	14%



It can be notified from the above table that 20% of the respondents face technical problems using E-Banking services, 19% are find the limit on daily withdrawal as a hindrance, 15% of the respondents find security issues, 13% find these services expensive, 7% and 6% respondents are unawareness of many E-Banking services and unable to use computer systems capably. The table also reveals that the respondents do face more than one problem using Net Banking services.

### Findings

- All the respondents have an SB A/c. It is the most popular type of A/c held by the respondents.
- Majority of the people have their accounts in Nationalized, Commercial banks like SBI, SBM compared to private banks.
- ATM is the most preferred E-Banking service by the respondents.
- The respondents also use these services quite frequently, maximum number of respondents use them several times a week.
- The respondents use E-Banking services for the purpose of A/c enquiry and transfer of funds. However the percentage of people using Internet Banking is very less.



- The respondents also face a number of problems in using Internet Banking Services.
- Many respondents face technical problems while using online banking services.
- Many respondents are concerned about the security aspects while they process Internet Banking transactions.
- Many respondents are also of an opinion that they are unaware of many of the E-Banking services due to which they are unable use many such services.

### Suggestions

- There is a need to create awareness about the use of E-Banking services.
- Measures to be taken to avoid the technical problems like machine breakdown, scanner problem, software problem, lock-up etc.
- People are cautious about the security issues. Hence proper measures should be taken to build the confidence among the users.
- Under utilizing of credit cards facility in the district suggests that the bankers and businessmen can improve their business transactions by availing credit card facility to the maximum extent.
- People especially belonging to business class demand for reduced service charges, competitive service charges will definitely make E-Banking services more popular.

### Conclusion

E-banking creates issues for banks and regulators alike. For our part we will continue our work, both national and international, to identify and remove any unnecessary barriers to e-banking. In conclusion, to be a true E-bank, each bank must identify its own unique targets, focus and style. Banks need to realize that E-banking is more than simply banking on the Internet. E-banking is more than having a web site. E-banking is about building a web business for your bank.

### Bibliography

- Banking Theory & Practices : B.S.Raman Universal Publishers
- E-Banking Opportunities and Challenges : Dr. Mathew Fernades
- Challenges to the Indian Banking Competition : Dr. A.B.N. Kulkarni
- Marketing Research : Bery G.C. Tata Mc Graw Hills
- Bank Financial Management : IIBF
- Advance Bank Management : IIBF
- Financial Services: Perspectives & Challenges: Heyes Samuel.
- E-Commerce: Dr. Uppin S.B